

Television

The hunting of the quark

by CHRIS DUNKLEY

The subject of the week was a topic which British broadcasters seem determined to make out of all proportion to its apparent significance just as their American colleagues have done in the last couple of years.

First there was BBC's *Act of Vengeance*, a play by Fay Weldon articulating a collection of jury-room stereotypes, and a discussion chaired with unusual prudence by the often admirable Jacky Gillott. Then there was BBC's "Play For Today," *Deaf as a Stag*, by Charles Wood, which dealt with a number of stereotypes, but also, hilariously.

In particular, his portrait of a deaf, intense, modern, liberated, sociology-obsessed, psychology-sporting, American postgraduate student, superbly impersonated by Kate Nelligan, was a caricature worthy of a caricature. "Deaf as a Stag," you know what I'd really like to do? "I'd like to see that deaf guy and start some sort of dialogue with him."

When the broadcasters decided that they had exhausted the subject of deaf, say ten or 15 programmes here, maybe they will feel free to take up a few of the less trendy subjects: the 1,000 injured and 200,000 years, for instance (when did we last see a programme about that?) or the British penchant for hitting their children (when did we last see a programme about that?).

Meanwhile, the programme, if of the topic of the week was a week. The programme was called *The Key to the Universe*. How on earth anyone could score a programme with such an entrancing title is quite beyond me and since the title was intended to be a pun on the word "key" it might have been better if it had been "The Key to the Universe."

Indeed there has been not a single programme in any of the past few days in any of the quality Sundays. So the programme was a week. The programme was a week. The programme was a week.

Understanding of the nature of matter may help us to comprehend the structure and creation of the universe. In the words of Nigel Calder, who wrote and presented the programme, scientists were looking for "one fundamental force" which may have intrigued the religious among the audience.

Although Professor Murray Gell-Mann of California several times indicated an almost mystical belief in the significance of symmetry. "Disciplined judgement about what is neat and symmetrical has proved again and again a very reliable guide," and "What criterion of elegance is nature applying?" Calder appeared to have complete confidence that man would probably soon succeed in identifying that fundamental force without any recourse to mysticism.

The reported confidence in the world of theoretical physics was reflected in the programme itself which seemed at times to have an almost know-all air about it in contrast to the doubts and hesitations which have characterised some science programmes. To present it, Calder stood suspended in the studio on a rope and that bridge, seemingly master of the stars behind him as well as the sub-atomic particles (in plastic model).

Occasionally he lapsed into opacity as when explaining some phenomenon connected with very small energy sources (I think) which he said was caused by Mother Nature blinking. Occasionally the programme seemed to meander off at a tangent, as in the opening of the second half which threatened to develop into a Pictorial travelogue on particle accelerators.

What is more there was an urgent need both during and after the programme for the sort of supporting printed material which the BBC produces for its schools and further education programmes. Though television is ideal for demonstrating the collision of atoms, it lacks any facility for the viewer to check back or confirm names, figures, phrases, or indeed anything. A single supporting feature on Radio Times is not really enough—why not a separately priced supplement?—and Calder's book-of-the-show, at £6 all but a bob, is too much for most people.

Yet whatever its shortcomings, this was a determined and often cleverly mounted attempt to close the steadily widening space separating modern physicists and other scientists from even the knowledgeable layman. If there ever was a time when something called Renaissance man could really encompass the sum of human knowledge, it is long gone.

Nowadays it must be a case of television's jobs to try to help the bulk of us to keep up, if we want to, and it is heartening to see that with programmes like this (from the same school as *The Human Conspiracy*, *The Weather Machine*, and *The Restless Earth*) it is BBC 2 that is trying, in doing so the channel fulfils one of its original aims, as I understood them.

Over this winter season as a whole, however, television's

From this consideration of the programme, the broadcaster has moved out to the macrocosm in an attempt to explain how an

Julie Peasegood and Ronald Hines in 'This Year Next Year' (Granada)

Gimme Shelter

by MICHAEL COVENEY

Barrie Keeffe's trilogy of short plays confirms his ability over the years. The general title aptly commemorates the Rolling Stones, for the two main characters in all three (yes, there are three) are angry, resentful, and on the verge of a breakdown. Both *Gem* and *Shelter* have been seen previously; this address, now Mr. Keeffe has added a neat postscript, let's say, to complete a thorough, substantial and entertaining evening.

In *Gem*, four office workers in a insurance firm loll on a remote holiday island at the Bank Holiday cricket match with a subsidiary office. The Bolshoi team always win, but Kev will have nothing to do with the game, not because he dislikes the way the managers talk, but because he feels that they know their job. Keith Washington's production seems to me even stronger than before, due to the carefully weighted performance of Roger Leach as Bill, a student aiming a little holiday money at the firm before pursuing his studies in marine biology. At one point he returns to the Bolshoi team, plays the role of a team captain with a gem anemone and recapitulates the dramatic polarization of a boy with a career he is less lucky. Kev is now played by Phillip Joseph, and even rewriting has allowed him greater opportunity than existed before to mix his primitive class hatred with genuine sorrow for himself. He takes the chance over.

Even more of an underdog is the scowling hero of *Gem*, a racker of a play that is every bit as good as the best scenes in Barry Reckord's *Shadows* of a few years back. Whereas *Gem*

Ashkenazy

by MAX LOPPERT

In the second half of Monday's Chopin recital, devoted to the 24 Preludes, Op. 28, Vladimir Ashkenazy became more than the naturally poetic pianist we know him to be. A revelation of his fine sensitivity came often with the sounding of single notes, a solitary chord: a softly pealing *F* sharp at the start of the 11th, at once shining, candid, and chaste; the first *F* sharp triad of Op. 28, a luminous, half-furtive invitation to reveal. These were sounds not only beautiful in themselves; they told of a pianist who plays the preludes as Chopin is supposed to have—addressing himself to a society rather than to a public, he could show himself with impunity, as he is, an elegant, profound, and, at times, dreamy.

In view of the success of this performance, with delicate re-

Bartok Quartet

by DOMINIC GILL

As a mid-day prelude to their full evening programme on the South Bank next week, the Bartok String Quartet played a luncheon recital on Monday at St. John's, Smith Square. It would be asking too much of an ensemble to arrive cold at a recital, especially a luncheon recital, and straight away produce their best performance of Bartok's sixth quartet. The first two movements were want for something less than they ought: elegant and neatly balanced, but in the first movement tentative—the sudden, grinding fortissimos understated; in the second movement, solid but (excepting only the gypsy music) a trifle plain.

Next Tuesday at the Elizabeth Hall the Bartok Quartet give a recital, dedicated to the memory of the late Thomas Lloyd of Haydn's *G minor* Op. 74 No. 3, Bartok's fourth quartet, and Beethoven's Op. 59 No. 1.

John Tunnard retrospective at the Royal Academy

The Arts Council is mounting a retrospective exhibition of the work of the English artist John Tunnard (1900-1971), which will be shown at the Royal Academy from March 5-April 11, followed by a regional tour to Cambridge, Leicester and Manchester. Mark Tazewell is selecting the pictures, which are being lent from public and private collections in the U.K.

Ligeti triple bill in Stuttgart

A programme of three one act pieces by György Ligeti will open at the Chamber Theatre of the Württemberg State Theatre in Stuttgart on Saturday, February 26. *Aventures* has been seen there before. In 1974, the Stuttgart company in Hamburg at the end of last year; *Rondeau* is a new work.



Petra Siniawski (centre) and the British-made chorus line in 'A Chorus Line' presented to the public at Drury Lane last night

Berlin theatre

A Doll's House by RONALD HOLLOWAY

Rudolf Noelle has achieved the unusual distinction in German theatre of imbuing each play he produces with his own vision of the world. His best known production is *Die Dreigroschenoper*, a production of no less a calibre than Kleist's *Broken Jug*, Chekhov's *Cherry Orchard*, Moliere's *Misanthrope*, O'Neill's *Long Day's Journey into Night*, and a production of a suffocating nature and a pessimistic bent. In *A Doll's House*, Noelle like a glove, and all the minute touches one expects are paid out in spades in the quaint, lovely, doll-house-like Renaissance-Theater in West Berlin.

Thirty years ago the Renaissance-Theater reopened under the management of Professor Kurt Raack. He is still the proprietor and artistic light of this theatre-oriented private house that has seen the names of post-war German theatre cross its stage—actors, directors, designers—and Berlin would have been in a sorry fix without him. The Noelle production, designed by Jürgen Rose and starring Cornelia Frantow and Werner Schindl as Nora and Thorvald, again brings the cream of modern theatre talent to his door in a gesture of thanks and appreciation. Chances are good, too, that the play will be chosen one of the season's best, if Noelle's unerring record over the decade is any evidence of quality.

A Doll's House is rich in details. The stage actually

resembles an overgrown Christmas tree for the little lady of the house: cluttered furniture, a table for both eating and reading, a Christmas tree that dominates a corner with a display of gifts, an intimacy controlled by light and shadow. The set alone is half the play.

The remarkable aspect of a Noelle production is the unity of the conception. All of his sets use a broad, open area in the foreground, where actors play out many of the nervous climaxes of the drama in pacing and posing; this gives way to a smaller chamber beyond in the rear for off-stage dialogue (entrances and exits take place before the fact). A side-room is always assumed, either left or right, or at least a patio or balcony to supply a beaming light source. The play is cut and trimmed to fit these proportions to accent moments of conflict and indecision, to portray pain and anguish in a darkening shadow or splash of light. Often, Noelle trims so much that the original has been severely tampered with, and other lines of approach (for instance, farce in Chekhov) are completely out of the question.

Ibsen's *Doll's House* suffers a bit from this fate. It is quite clear after the first few minutes that this Nora is not going to run away at the end, but she has back before curtain call. All her strong lines have been drained of passion and romantic fervour, replaced by hurried movements of sham activity and girlish coquetry. As a result, a climax is never really reached and the drama levels off to a domestic spat, in which Nora is clearly the loser. Neither the intentions of Ibsen nor Noelle are very clear in the long run: this is a drama without resolution.

Still, the Noelle world is intriguing and leaves deep impressions on the memory. Each act is executed precisely as the principles, matching tonalities to footfall in a slowly illuminating pattern of noncommunication and pettiness.

A key scene in *A Doll's House* is the opening of the latter that reveals Nora's forgery in arranging a loan (necessary to save Thorvald's life). Noelle has

It is this "touch" towards the end of a three-hour performance that makes the slow build-up entirely worthwhile.

Jazz at the Star and Garter, Putney

During the month of February the Jazz Centre Society is presenting jazz on Saturday nights at the Star and Garter, Putney. Events begin this Saturday with a session by the Dave de Fries sextet. On February 12 the group Major Surgery, led by tenorist Don Weller, is appearing. The Ken Schroder quartet does its first-ever gig for the JCS on February 19. Schroder is an Australian altoist who has been working with guitarist Peter Rubie for over a year. Danny

ENTERTAINMENT GUIDE

OPERA & BALLET	THEATRES	THEATRES	THEATRES
<p>ENGLISH NATIONAL OPERA Tonight: <i>Die Walküre</i>, Act 1. Tomorrow: <i>Die Walküre</i>, Act 2. Wednesday: <i>Die Walküre</i>, Act 3. Thursday: <i>Die Walküre</i>, Act 4. Friday: <i>Die Walküre</i>, Act 5. Saturday: <i>Die Walküre</i>, Act 6. Sunday: <i>Die Walküre</i>, Act 7.</p> <p>ROYAL OPERA Tonight: <i>Die Walküre</i>, Act 1. Tomorrow: <i>Die Walküre</i>, Act 2. Wednesday: <i>Die Walküre</i>, Act 3. Thursday: <i>Die Walküre</i>, Act 4. Friday: <i>Die Walküre</i>, Act 5. Saturday: <i>Die Walküre</i>, Act 6. Sunday: <i>Die Walküre</i>, Act 7.</p>	<p>THEATRE ROYAL Tonight: <i>Die Walküre</i>, Act 1. Tomorrow: <i>Die Walküre</i>, Act 2. Wednesday: <i>Die Walküre</i>, Act 3. Thursday: <i>Die Walküre</i>, Act 4. Friday: <i>Die Walküre</i>, Act 5. Saturday: <i>Die Walküre</i>, Act 6. Sunday: <i>Die Walküre</i>, Act 7.</p> <p>THEATRE ROYAL Tonight: <i>Die Walküre</i>, Act 1. Tomorrow: <i>Die Walküre</i>, Act 2. Wednesday: <i>Die Walküre</i>, Act 3. Thursday: <i>Die Walküre</i>, Act 4. Friday: <i>Die Walküre</i>, Act 5. Saturday: <i>Die Walküre</i>, Act 6. Sunday: <i>Die Walküre</i>, Act 7.</p>	<p>THEATRE ROYAL Tonight: <i>Die Walküre</i>, Act 1. Tomorrow: <i>Die Walküre</i>, Act 2. Wednesday: <i>Die Walküre</i>, Act 3. Thursday: <i>Die Walküre</i>, Act 4. Friday: <i>Die Walküre</i>, Act 5. Saturday: <i>Die Walküre</i>, Act 6. Sunday: <i>Die Walküre</i>, Act 7.</p> <p>THEATRE ROYAL Tonight: <i>Die Walküre</i>, Act 1. Tomorrow: <i>Die Walküre</i>, Act 2. Wednesday: <i>Die Walküre</i>, Act 3. Thursday: <i>Die Walküre</i>, Act 4. Friday: <i>Die Walküre</i>, Act 5. Saturday: <i>Die Walküre</i>, Act 6. Sunday: <i>Die Walküre</i>, Act 7.</p>	<p>THEATRE ROYAL Tonight: <i>Die Walküre</i>, Act 1. Tomorrow: <i>Die Walküre</i>, Act 2. Wednesday: <i>Die Walküre</i>, Act 3. Thursday: <i>Die Walküre</i>, Act 4. Friday: <i>Die Walküre</i>, Act 5. Saturday: <i>Die Walküre</i>, Act 6. Sunday: <i>Die Walküre</i>, Act 7.</p> <p>THEATRE ROYAL Tonight: <i>Die Walküre</i>, Act 1. Tomorrow: <i>Die Walküre</i>, Act 2. Wednesday: <i>Die Walküre</i>, Act 3. Thursday: <i>Die Walküre</i>, Act 4. Friday: <i>Die Walküre</i>, Act 5. Saturday: <i>Die Walküre</i>, Act 6. Sunday: <i>Die Walküre</i>, Act 7.</p>

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EUROPEAN NEWS

SPAIN MOVES NEARER FREE ELECTIONS

New plan to legalise political parties

BY ROGER MATTHEWS

ANOTHER IMPORTANT step towards free elections in Spain is being planned by the Government, partly in response to last week's outbreak of terrorist killings. Prime Minister Adolfo Suarez is believed to have completed plans for a new decree-law that will permit the rapid legalisation of most political parties, replacing the present regulations that have been widely rejected.

Instead of the still illegal parties having to seek official blessing, they will merely have to place their names on a register and submit their articles of constitution. It would then be up to the courts, and not the Government, to decide if a particular party was ruled out by the provisions of the Penal Code.

This formula is expected to satisfy many of the left-wing groups which have been refusing to seek legalisation under the current rules. With scarcely an exception, all left-wing parties are at this moment disbarred from competing in the elections, a situation that could not be allowed to continue if the composition of the new Parliament was to have any democratic credibility.

In Government circles it is being stressed that the Prime Minister and King Juan Carlos feel they have been determined to push ahead more vigorously with plans for the elections in order to avoid the impression of being pressured by any extremist factions.

It is not yet clear whether the Government considers it necessary to make parallel changes in the Penal Code which specifically disbars parties of a totalitarian nature subject to international discipline. This was seen until now as the formula for preventing the legalisation of the Communist Party. But if the courts



A lunchtime cheese roll for King Juan Carlos and a senior military officer during an official visit to an army base near Madrid.

were asked only to reach a judgment on a party's articles of association, this would almost certainly open the door to the Communist Party, which is already known to the Government as prepared to accept a full list of "independent" candidates for the elections, but

MADRID, Feb. 1

The opposition parties' nine-man negotiating team today formally requested another round of talks with the Premier to discuss the democratic guarantees they are demanding for the elections. Sr. Suarez is understood to welcome the request and will move rapidly to meet it as a further example of his determination to continue with the liberalisation process.

Meanwhile, groups to the left of the Communist Party are continuing to bear the brunt of police attacks, as the hunt for terrorists continues. There is still no official statement on the numbers detained, although some people have only been held for 24 hours. In Barcelona, police announced they had detained 48 members of the Iberian Anarchist Federation and seized a quantity of explosives. Several foreigners, apparently involved in international extremist right-wing movements, are believed to be on the point of expulsion and at least two have been jailed, while investigations continue into the murder of a student during a demonstration in Madrid nine days ago.

UPI adds: Detectives exchanged shots with unidentified gunmen early today in the Madrid working-class suburb of Canillejas, the national news agency Cifra said. The suspects escaped and there were no known injuries.

The newspaper Informaciones reported that on Sunday, police almost caught a member of the terrorist organisation, Grapo, after he was involved in a car accident. The report said that even though injured he managed to escape.

Belgian Prime Minister Leo Tindemans today said he would back Spain's candidature for Common Market membership as soon as democracy had been established in the country. Reuter reports from Madrid.

Prague attacks Western interference

PRAGUE, Feb. 1

THE COMMUNIST Party newspaper Rude Pravo today accused Western politicians and officials of interfering in Czechoslovakia's internal affairs by expressing concern over the flight of dissidents in this country.

Among those named by Rude Pravo were Austrian Chancellor Bruno Kreisky, Norwegian Prime Minister Olav Nordli, U.S. State Department and Mr. George Meany, president of the U.S. AFL-CIO trade union federation.

The newspaper accused the U.S. State Department of purposely using false information in a statement it issued last week charging Czechoslovakia with violating agreements made at the 1975 European security conference in Helsinki.

Leslie Collis writes from Prague: Mr. Jiri Hajek, the spokesman for Charter 77 who was summoned to the public prosecutor's office yesterday, said that his movement was illegal, said later that he believed the authorities were "trying to find a legal basis to prevent further activities by the civil rights movement."

He said he was not specifically what laws the civil rights members are breaking. He was merely told that the movement contravenes Article 4 of the Czech constitution, which establishes the leading role of the Communist Party. Mr. Hajek told the official he did not deny this role and that Charter 77 is a "lawful expression of the right of citizens to petition the Government."

Another supporter of the civil rights movement, the writer Pavel Kohout, says the central committee has confided. He reports receiving dozens of letters a day threatening to kill him if he does not leave the country. Mr. Kohout has no doubt the letters are officially inspired and he has written to the Public Prosecutor demanding an inquiry.

Britain on Tuesday expressed concern to Czechoslovakia about treatment of dissidents and also indicated disappointment at Prague's delay in allowing 14 British citizens to come to Britain. The country's last year for the Foreign Office Lord Robert, also told Czech ambassador Miroslav Jablonsky that allegations of espionage against a number of Britons did not help relations.

Andreotti reveals preliminary measures against inflation

BY PAUL BETTS

ROME, Feb. 1

CONCURRENTLY with today's nine-point increase in Italy's threshold payments system, the minority Christian Democrat cabinet of Sir Giulio Andreotti announced after a meeting last morning the first of the Government's long-awaited new anti-inflationary measures.

They include the abolition of irregular threshold payments, strict penalties for abuses in the system of state subsidised salaries, reductions in preferential rail tariffs, and speed limits of 110 kilometres per hour on ordinary roads and 130 on motorways.

The main package of austerity measures, however, which is understood to have been discussed at great length in the meeting, is expected to be announced after another Cabinet meeting on Friday, following a summit of party group leaders on Thursday. Sir Andreotti, who has given his word not to interfere with the present system of

threshold payments, has aroused considerable criticism both inside and outside his party for conceding too much to the unions and has therefore decided to postpone the announcement of the main package until after this summit.

To contain the inflationary effects of the threshold payments, the Government plans to shift the burden of financing social security benefits from employers to indirect taxation, so reducing Italy's rising labour costs. This is a move which is forecast to cut today's rise in the threshold index to about four points, means the Treasury will have to raise an estimated extra L1,300bn. (about \$870m.).

To raise this, the Cabinet is likely to announce on Friday tax increases, particularly in VAT and on finished products. Increases in VAT, limited to products not featured in the threshold payments "basket," are expected to raise about L900bn. (about \$600m.) while taxes on finished goods would raise the

outstanding L400bn. This fiscalisation, however, only reduces the increase in labour costs to 19 per cent. percentage points over Government's target of 10 per cent.

Meanwhile, there has been a flurry of Christian Democrat action today in the wake of the abolition of Communist Secretary, Sir Enrico Berlinguer, who would end the Communist Party's current indirect support. Sir Andreotti's minority Government through a policy of abstention in Parliament.

According to the Christian Democrat newspaper, the Communists have a right to dictatorial powers, but the country should adopt a policy of abstention. Andreotti's government, however, is accused of using initial tactics.

No alternative to nuclear power, says Davignon

PARIS, Feb. 1

VISCOUNT Etienne Davignon, the outgoing Belgian President of the 19-nation International Energy Agency (IEA) said today that the world has no option but to use nuclear power to meet its energy needs over the next 10 to 15 years.

Viscount Davignon's successor, named by the IEA's governing board on Monday, will be Dr. Delley Rohwedder, 44, Secretary of State in the West German Economics Ministry. Dr. Rohwedder retains this position, in which he deals with international economic questions, including energy and West Germany's relationship with the Third World.

Viscount Davignon, who has become a member of the European Commission, also said that IEA figures showed that Saudi

Arabia had, "in recent weeks," started producing more than its announced ceiling of petroleum and "we feel that this trend is continuing."

Two senior Bonn officials will visit Washington late next week to try to allay the latter Administration's misgivings over a German-Brazilian nuclear deal, Bonn officials said today.

The officials reiterated that the Government remains determined to fulfil a 1975 agreement to supply Brazil with \$4.5bn. of nuclear technology, fuel and know-how. Besides eight power stations, this would include uranium enrichment and fuel reprocessing facilities that Washington has said could help Brazil build bombs.

EEC warns U.K. publish on copyright

BRUSSELS, Feb. 1

By David Buchan

EEC OFFICIALS say that the "standstill" principle, a sign of British book publishers, territorial clauses in copyright laws which discriminate between various EEC countries, may be contrary to the Community's competition rules.

The signal was yesterday's announcement that the Commission had opened, and was now an investigation brought by a complaint from Ireland years ago that a Penguin edition of Ernest Hemingway's "The Old Man and the Sea" not available in that country in the U.K. although it is freely available in the rest of the EEC. The paperback was licensed by the British publisher, Jonathan Cape.

Community intervention, agreed to license a Chinese wide paperback edition. EEC officials say that British publishers often delay the publication of a paperback edition in the U.K. and Ireland until their hard stocks in these countries are exhausted.

Tourism recovering in Portugal

LISBON, Feb. 1

PORTUGAL'S TOURIST trade has shown the first significant signs of recovery since it slumped after the April, 1974, revolution. Figures issued by the Department of Tourism said 2,175,370 foreign visitors entered Portugal last year—an increase of 11 per cent. over 1975.

Tourism has traditionally been

Portugal's second largest source of foreign exchange, and a record total of 4m. foreigners entered the country in 1975.

Spain provided the most visitors to Portugal last year—48 per cent.—followed by Britain, West Germany and France.

Reuter

Optimism on Malta economy

By Geoffrey Grima

VALLETTA, Feb. 1. ANNOUNCING A £M103m. (£76.2m.) budget for the coming financial year, Maltese Finance Minister Dr. Joseph Abela told Parliament last night that, in many respects, the island's economy was developing at a better rate than expected, given the problems created by global inflation and recession.

Tax increases were mild and limited, and a few social benefits reforms were made. Dr. Abela reported that the gross domestic product was growing at an annual rate of 18 per cent.

Iran threatens Dutch trade boycott

THE HAGUE, Feb. 1

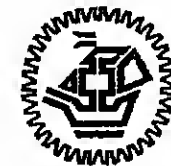
HOLLAND today denied that the Iranian government had officially requested an allegedly "anti-Iranian" amnesty international conference, scheduled to be held in Amsterdam, be banned. A boycott of Dutch exports has been threatened in retaliation.

"There have been no official contacts between our two governments about the affair," a UPI Foreign Office spokesman said. "We have not heard from the Iranian ambassador in The Hague and neither did the Iranian government approach our ambassador in Tehran."

"Press reports to the contrary from the Iranian capital are wrong," he said. The President of the Iranian National Committee for Consumer Protection said yesterday a consumer boycott of Dutch products and services would be called in Iran if Holland did not respond favourably to a request to cancel the conference.

Michael Van Os writes: The Iranian embassy in Washington today did confirm reports from Tehran that the Iranian Consumers' Council there would organise a boycott of Dutch products should the Dutch authorities allow what the Council describes as the anti-Iran conference here to go through.

The conference is a two-day meeting starting February 18, organised and initiated by the Dutch section of Amnesty International and it is aimed, as part of an international amnesty programme, at attracting publicity to the alleged repression of political prisoners in Iran and violations of human rights there. A number of people have been invited to participate including participants from Iran and ex-political prisoners.



MARINE MIDLAND BANKS, INC.

CONSOLIDATED BALANCE SHEET • DECEMBER 31, 1976

(in thousands of dollars)

Assets	
Cash and due from banks	\$ 1,382,537
Interest bearing deposits with banks	976,381
Trading account securities	50,746
U. S. Treasury	605,289
U. S. Government agencies and corporations	129,181
State and municipal obligations	566,105
Other securities	146,239
Total investment securities	1,446,814
Loans in domestic offices	3,754,720
Loans in foreign offices	1,805,470
Mortgages	874,875
Total loans and mortgages, less unearned income	6,435,065
Less reserve for loan losses	91,308
Loans and mortgages, net	6,343,757
Federal funds sold and securities purchased under resale agreements	4,687
Direct lease financing, less unearned income and reserve for losses	50,734
Premises and equipment	134,769
Customers' acceptance liability	150,353
Interest receivable	93,145
Other real estate owned	33,942
Deferred charges and other assets	51,016
Total assets	\$10,718,881
Liabilities	
Demand deposits	\$ 2,985,721
Personal savings	2,115,223
Other time deposits	1,274,755
Deposits in foreign offices	2,719,320
Total deposits	9,095,019
Federal funds purchased and securities sold under repurchase agreements	564,826
Other funds borrowed	91,524
Interest, taxes and other liabilities	156,397
Acceptances outstanding	152,506
Notes and mortgages payable	29,627
Debentures	200,000
Total liabilities	10,289,899
Capital	
Preferred stock	2,444
Common shareholders' equity:	
Common stock, \$5 par	
Authorized—20,000,000 shares	
Issued—12,512,476 shares	62,562
Capital surplus	110,732
Retained earnings	254,191
Less—common stock in treasury, at cost—29,710 shares	(947)
Total common shareholders' equity	426,538
Total capital	428,982
Total liabilities and capital	\$10,718,881
Securities and other assets carried at \$1,100,680,000 are pledged to secure public deposits and for other purposes, including securities sold under agreements to repurchase.	

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Norway's growth accelerates

By Fay Gjester

OSLO, Feb. 1

NORWAY'S GNP grew by 5.7 per cent. from 1975 to 1976, the Central Bureau of Statistics says in its Economic Survey, 1976, published today, compared with an increase of only 3.5 per cent. from 1974 to 1975.

If oil and shipping activities are excluded, last year's rise was 4.8 per cent., compared with only 1.9 per cent. in 1975. Of the OECD countries, only the U.S. and Japan achieved higher growth last year, the Bureau says.

The country's balance of payments deficit last year for the first time since 1972, equal to nearly 12 per cent. of the GNP. It was Kr.7.4bn. higher than in 1975 and Kr.1.7bn. more than forecast in the Government's national budget for 1976.

Norway's terms of trade deteriorated in 1976 for the third year running. The deterioration was 12.2 per cent. for trade in goods, excluding ships, and 8.8 per cent. for trade in all goods and services.

Record Danish pre-election trade deficit

COPENHAGEN, Feb. 1

DENMARK'S trade deficit widened to a record Kr.19.9bn. (nearly £2bn.) in 1976 from Kr.9.7bn. in 1975 and Kr.13.5bn. in 1974.

The Statistical Bureau announced the figures here today only two weeks before the country's general elections. The December deficit totalled Kr.2bn. after a Kr.2.0bn. shortfall in November and a Kr.1.9bn. in December 1975.

Reuter Hilary Barnes writes: A record number of 12 parties will take part in Denmark's election on February 15. The fast to join the list is the Pensioners' Party which has gathered the 18,000 signatures necessary before a party can stand and today received official approval from the Home Affairs Ministry. There were ten parties elected to the last Parliament, and all the 11 parties previously nominated stand a good chance of being returned, according to opinion polls.

The Social Democrats who received 29.9 per cent. of the vote in the 1975 election was supported by 33.3 per cent. of the voters in January, according to an opinion poll published here today. The main opposition party, the Liberals, received 19.1 per cent. compared with 23.3 per cent. in 1975, and the anti-tax Progress Party received 14.8 per cent. compared with 13.8 per cent. in the election.

FINLAND'S ECONOMIC PROBLEMS

Devaluation debate revives

BY WILLIAM DUFFLORCE

THE WINTER in Finland is unusually bleak this year—not so much the weather as the economic and political climate. The number of unemployed has reached 127,000 in January or close to 6 per cent. of the labour force, a post-war peak. At Christmas many shops had to attract customers by offering three-month credits payable when the income tax refunds come through in March.

The inflation rate still is in double percentage figures and the chances of higher pay for those who do have jobs are minimal. The employers, locked in wage negotiations with the unions, would almost welcome strikes: too many companies are making losses and carrying heavy stocks and debts.

As prospects for a recovery of export markets, particularly for pulp, paper and board, recede further and further into 1977, the argument has revived that only a devaluation of the Finnish markka offers a realistic solution. But such speculation still beats vainly against the granite resistance of the Bank of Finland, where the Governor, Mr. Mauno Koivisto, continues to impose his will on the management of the economy.

The minority Government, comprising the Centre Party and the small Swedish and Liberal parties, having forced through a largely restrictive budget this month with the help of the Conservatives, is impotent to take further action. The central political issue is whether and when the Social Democrats will return to Government, but they are pre-occupied with the struggle against the Communists in the trade unions and their leaders are hesitant and confused.

The situation is ripe for another intervention from above by 77-year-old President Urho Kekkonen. He hinted at the need for a new approach in his New Year address, but the failure of his last attempt in 1975, when he frog-marched the parties, including the Communists, into a national coalition to fight unemployment, may have cooled his ardour. The absence of a central wages agreement and the possible outbreak of wildcat strikes as the number of unemployed climbs towards 150,000 will, however, call for some action from the politicians.

Replying to Communist and Social Democrat demands for more job-creation, Mr. Paavo Vayrynen, the Labour Minister, made clear there was no more money in the budget. The per cent. rise in 1977 seems to be realistic. An easing of price controls last year led some pessimists to expect that the Government could hardly turn to the devaluing of the markka, but the little cash which may still be available to the hard-

pressed companies, Mr. Vayrynen dismissed the idea of raising more foreign loans, a step which would in any case be opposed by the Bank of Finland.

As unemployment worsens this winter, pressure must build up on the monetary system and expand the money supply a little. But given the determination of Mr. Koivisto to clean up the Finnish economy, a change of bank policy cannot be counted on.

President Kekkonen said yesterday he opposed any plan by Parliament to extend his term of office without public elections. UPI reports from Helsinki that the present term expires in 1978, but the main political parties have said they will nominate him again. Because of the 1978 elections and appoint Mr. Kekkonen instead. Mr. Kekkonen (76), has been elected for three terms of six years each since 1956. In 1974, a special constitutional amendment was passed extending his term until 1978.

This policy is after all responsible for the two brighter facets of the current economic picture, an improvement in the balance of payments and some slowing down of the rate of inflation.

Finland had a payments deficit of close to FMs. (€1.3bn.) in 1975. It was halved last year and the Bank of Finland's target for 1977 is a deficit of no more than FMs.1.5bn. The Bank also tightened up on foreign borrowing in 1976. There was a net increase in long-term loans of FMs.5bn. by the end of September, so that over the year as a whole the increase was somewhere between FMs.4bn. and FMs.5bn. Allowing for credits on Finnish ship and machinery exports, the net foreign debt is around FMs.20bn. or roughly one-fifth of GNP. There is, therefore, good reason for the bank's preoccupation with external payments.

Curbing inflation has proved to be more difficult. After two years in each of which the Consumer Price Index rose by 17-18 per cent., the rate was reduced to 15 per cent. last year. The result, not helped by an incomes policy agreement which proved to be more expensive than expected and by an increase in sales tax, was disappointing. The forecast of a lower, 10-11 per cent. rise in 1977 seems to be realistic. An easing of price controls last year led some pessimists to expect that the Government could hardly turn to the devaluing of the markka, but the little cash which may still be available to the hard-

pressed companies this year, key inflation factor this year, wage developments.

The negotiations between employers and the unions in 1977 wage levels are at present bogged down but any eventual agreement will have to be expensive for the simple reason that the companies have money and under the present market situation most industries would not be worried by strike. The Social Democratic chairman of the Trade Union Federation recognised these pressures and he rejected the Communist claim for a 4 per cent. rise in real wages. It would, he said, only tend to more unemployment.

Nevertheless the Social Democrats have to take into account the grassroots pressure, articulated by the Communists, for better incomes. It is unfortunate for them that income tax cuts were announced in December as an agreement between the Government and the Communist Party cannot now be limited with a wages settlement. The Social Democrats' position is invidious. Although they run the largest party in Parliament, the growth of their electoral support has halted. To decision to go into opposition last September has brought the Communists into the Government, illustrated during January, by their leader, Mr. Kalevi Sorsa, indicated that he would place just at the disposal of the party congress.

Yet the co-operation of the Social Democrats is needed. Parliament and the Government—as distinct from the Bank of Finland which is exercising very decisive influences—have an co-ordinated effort economic development this year. That pursued effectively in 1976 for instance, can be attempted without the Social Democrats. The last devaluation, however, at the Bank of Finland, strongly buttressed. The size of the foreign debt and the foreign borrowing of the companies themselves are a disincentive to devaluation. The Bank has available reserves of some FMs.5bn. and standby credits of FMs.2bn. Moreover, the markka is not susceptible to speculation in the same way as sterling is.

But the Bank of Finland's current policy promotes unemployment. The question is how much unemployment Finland can take, and when does it become politically untenable. This question is most pertinent for the Communist Social Democrats.

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OVERSEAS NEWS

Security tops Sarkis-Assad talks agenda

BEIRUT, Feb. 1

LEBANESE PRESIDENT Elias Sarkis is to visit Damascus tomorrow for talks with President Hafez Assad on what has been described as major questions. An official announcement said the visit is at the invitation of Syria. Mr. Sarkis is expected to be accompanied by Foreign Minister Fouad Boutros and Col. Ahmed al-Hajj, the Lebanese commander of the Arab peacekeeping force in Lebanon.

It will be Mr. Sarkis' first visit to Damascus since his election in September and it is understood that progress in stabilising the security situation in Lebanon with Syrian troops of the Arab force will top the agenda.

Thai army radio station shut after PM attacked

BY RICHARD NATIONS

BANGKOK, Feb. 1

THAILAND'S popular ultra right-wing Armed Forces Radio Station closed down today in a surprise move which many observers see as indicative of growing division between Prime Minister Thaksin Kraichien and some of the military groups that put him in office, following last October's coup.

Fraser considers oil price rise

BY KENNETH RANDALL

CANBERRA, Feb. 1

THE Australian Government today began considering a new structure for indigenous crude oil pricing aimed to eventually produce full parity with world prices. Reports from today's Cabinet meeting indicated general acceptance of the move towards world parity, but some disagreement about the rate of movement because of its inflationary effect.

Australian strike rise

BY OUR OWN CORRESPONDENT

CANBERRA, Feb. 1

AUSTRALIAN industry lost 2m working days in the September quarter last year—the highest figure since the March quarter of 1974, according to official figures released today. Strikes throughout the country over Government changes to Medibank, the national health insurance system, were responsible for 78 per cent of the time lost, as well as \$A58m (about £37.5m) in lost wages.

JUST OVER a week ago, Mr. Ian Smith rejected out of hand the new proposals for an interim Rhodesian government. They would, he said, have led to "chaos" and the rule of a "Marxist-indoctrinated minority."

But the Rhodesian Prime Minister could just as well have made a nationwide broadcast accepting the proposals, at least as a basis for further negotiation. He could have said that they were by no means satisfactory; that they departed in crucial ways from the Kissinger plan which he had agreed to four months ago, but that, in the interests of peace in Southern Africa, he was prepared to go back to Geneva to try to get a package which would be acceptable to all "moderate Rhodesians" black and white.

Iraq and USSR draw closer

By Our Own Correspondent

BEIRUT, Feb. 1

IRAQ and the Soviet Union are co-ordinating their Arab and Middle East policies with a reported promise by Moscow to help the regime of President Saddam Hussein in Iraq out of its domestic problems. This is the gist of the current visit to Moscow by Mr. Saddam Hussein, the vice-chairman of the Iraqi ruling Revolutionary Council, according to informed diplomatic sources here.

Mr. Hussein, who arrived in Moscow yesterday, is accompanied by Foreign Minister Dr. Saadoun Hammadi and a military delegation. He is expected to meet with Soviet leaders and officials. It is noted that Iraq and the USSR have something in common regarding the Arab world—both are isolated. Iraq has been kept out of inter-Arab contacts and meetings aimed at the formulation of a common Arab strategy on the Middle East.

Both Iraq and Iran are in a position of being outflanked by the Right with or without tanks in the street. No one, however, expects dramatic change until the current visit to Thailand of Singapore Prime Minister Lee Kuan Yew is over on February 3.

How the world appears to Rhodesia's whites

BY BRIDGET BLOOM, AFRICA CORRESPONDENT IN SALISBURY

Mr. Smith and his colleagues do not see African nationalism as fundamentally a gut reaction by blacks to the indignities of being second-class citizens in their own country. They have only the vaguest notion of how Africans and racial discrimination obnoxious. They thus believe that African nationalism would not exist were it not nurtured from outside—whether by goading British Labour politicians in the 1950's or by the Communist powers now.

They are bolstered in this belief by their relationship with Africans within their own country. Most whites still meet pleasant and obedient Africans in an essentially master-servant role. Paternalistically, they believe that Africans cannot rule themselves and certainly cannot "protect" the material and so-called civilised standards which are used to the Rhodesian whites and his colleagues, who see them as demagogues, while the real African leaders are seen as being the tribal chiefs, who represent the peace-loving simple African majority.

Mr. Smith was delighted when Dr. Kissinger began to interest himself in Africa last year. His acceptance of the first point of the Kissinger plan, majority rule within two years, might have seemed a dramatic reversal of Rhodesian Government policy. But as Mr. Smith interpreted the plan, two objectives were achieved. First, for the period of the interim government (and two years is a long time in politics), control effectively remained with White Rhodesians; and second, the settlement (and thus White Rhodesia) seemed bound to be under the "protection" of Washington.

based on them (which would bring in the "Marxist-indoctrinated minority") would be loathed not only to South Africa, but also to American interests in the whole of southern Africa.

While Mr. Smith has no doubt been comforted by the reaction of Mr. Vorster, the South African premier, at the week-end, he may find that he has seriously misjudged the attitude of the new U.S. administration, whose pronouncements so far suggest that it will be much tougher on white minority rule than its predecessor. But whoever tries to resort negotiations between the Rhodesian government and black nationalists must do so with their eyes open.

London, Washington, Lusaka and even Salisbury might seem to have the same ultimate aim of a peaceful, stable and hopeful multi-racial Zimbabwe. But the realities as perceived in Salisbury and the rest of the world remain light years apart. So far apart that, without massive pressure from the U.S., the only power able to exert it, while Rhodesia is likely to continue in pursuit of its own reality. It could well fight on, Kamikaze-style, to its doom.

Decision against Botswana hot pursuit

SALISBURY, Feb. 1

RHODESIA TO-DAY issued a veiled warning of future military action against Botswana unless 400 black pupils taken to that country by nationalist guerrillas are returned.

But government sources said following the weekly meeting of Prime Minister Mr. Ian Smith's cabinet that no imminent rescue or retaliation bid is expected. Instead it has asked the International Red Cross to intervene.

Rhodesia has expressed a desire to co-operate with Botswana in patrolling their 491 miles (788 km.) of common border so that the western front will not become as tense as the frontier between Rhodesia and Mozambique.

A military communiqué to-day said Mozambique-based guerrillas recently lobbed mortars on Rhodesian troops stationed at the south-eastern border post of Vila Salazar.

Neither casualties nor damage resulted, the communiqué said, but "suitable retaliatory action has been taken." Across from Vila Salazar stands the Mozambique border post of Malvernia.

The warning to Botswana came from Foreign Minister Mr. Pieter van der Byl, who rejected Botswana's assertion that the 400 students were not abducted but came voluntarily to flee "balefire" by Rhodesian security forces.

Meanwhile British negotiator Mr. Ivor Richard left Africa today after his abortive Rhodesia mission which failed to prevent a sharpening of the conflict between the factions vying for control over the territory's future.

Five of the Manama Mission School students escaped and told reporters yesterday the 400 were rounded up by four or five armed guerrillas Sunday night. The guerrillas also stole \$12,000 (£18,000) representing recently collected school fees.

The principal of the school, which is run by the Evangelical Lutheran Church in Rhodesia, said the guerrillas called them "balefire" members of Joshua Nkomo's Zimbabwe African Peoples' Union (ZAPU) and told them they were snatching the dissenting students to "build up the army."

Indian party will fight elections

By K. K. Sharma

NEW DELHI, Feb. 1

THE NEWLY formed opposition Janata Party has decided to participate in the general elections next March, despite what it says is the "Government's refusal to create conditions necessary for the conduct of free and fair elections."

This means that the move by the Jana Sangh, the dominant partner in the four-party coalition which constitutes the Janata Party, to boycott the poll has not succeeded and its leaders are now reconciled to the view of the other parties that it should join battle with the ruling Congress Party. The Janata Party has met Prime Minister Indira Gandhi and has been assured that its main demand—release of political detainees—is being acted on speedily.

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Iran loan for Senegal
IRAN has approved a government loan of \$40m. towards the capital of a joint company building an oil refinery in Senegal. The loan will carry a fixed annual interest of 8 per cent. Under the agreement the capital of the joint company, Iranesenec, was fixed at \$80m., with provision for increasing the capital to \$100m.

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HOME NEWS

Computer companies in merger talks

BY MAX WILKINSON, INDUSTRIAL STAFF

INTENSIVE merger talks are under way between Office and Electronic Machines and Triumph Adler's U.K. subsidiary, Adler Business Systems. The two companies are under strong pressure to reach agreement before April, when Triumph Adler plans to launch a new range of small office computers. As yet, the company has not solved the problem of who will market the range in the U.K.

At present, OEM sells Adler typewriters and the company's smallest office computer, the TA 10. However, the more sophisticated TA 1000 sold by the Triumph Adler subsidiary, ABS, is a much more powerful machine. The new computer range will fall somewhere between the two, in the £3,500-£5,000 range, depending on the application. It therefore falls to fit neatly into the marketing organisation of ABS or OEM.

On the one hand, OEM lacks technical expertise for marketing a computer system which, in spite of its relative simplicity, will require programming, servicing and tailoring to individual customers' needs.

But ABS, which does provide all these services for the more complicated TA 1000, lacks the wide distribution network which OEM has built up through its sales of typewriters and the smaller TA 10.

Triumph Adler, a subsidiary of Litton Industries, is anxious to convert as many as possible of the TA 10 users to its more sophisticated successor. From the point of view, therefore, the logic points to a merger of the two companies.

The tidest solution for Triumph Adler would be a takeover by OEM of ABS, with possibly an injection of capital from the parent company. Triumph Adler to help set up the new marketing and service network.

So far, the talks have been "very cordial." There is a long-standing friendship between OEM's chairman, Mr. Erich Marcus, and the chairman of Triumph Adler, Mr. Gerd Weers, which has been reinforced by OEM's impressive record of selling Adler typewriters in the U.K.

A general shift of OEM's business towards small computers would also make sense to Triumph Adler, because half its total sales are now in the electronic rather than the mechanical side of office equipment.

However, the present talks have been complicated by long-term uncertainty about what will happen to OEM when Mr. Marcus retires.

There is at present no obvious heir-apparent, and the business still depends very much on the stamp of Mr. Marcus's personality.

For this reason, Triumph Adler may wish to take a substantial equity stake in OEM, or at least make sure that the company's future is mapped out in outline.

In 1975, OEM's turnover was nearly £13m, a figure which is expected to show a substantial increase in the results for 1976. Sales of ABS at present are about £2.5m.

Yesterday, Mr. Marcus would only say that talks were continuing. Triumph Adler would make no comment except that their customers' interests would be guaranteed, whatever arrangement was eventually agreed.

Accountants protest over tax proposal

BY MICHAEL BLANDEN

ACCOUNTANTS HAVE added their weight to strong criticism expressed by exporters and bankers to the new proposals for taxation of U.K. employees working abroad.

The Consultative Committee of Accountancy Bodies, representing the top six professional groups, has welcomed the Government's intention to improve the tax position of such employees. This was expressed by Mr. Denis Healey, the Chancellor, in his December speech introducing the economic package. But the committee objects to the detailed proposals which have been put forward by the Inland Revenue.

At a meeting with the Revenue yesterday, the accountants emphasised their strong disagreement with the proposal that the new relief should be available only to those employees who spend a continuous period of more than 30 days abroad.

Their arguments follow those already put forward by bankers and by the Institute of Taxation. The accountants told the Revenue: "There is widespread dismay and concern among our members that the Revenue should consider imposing such a rule in a paper which, according to the Chancellor, is 'to improve the tax treatment of employees'."

The accountants acknowledge the assurance given in the Commons last week by Mr. Robert Sheldon, Financial Secretary to the Treasury, that account would be taken of the

South Coast Ship-shore link Completed

NEW Post Office VHF station brought into service by Hastings Radio, completes a chain from the Thames Estuary to Land's End that serves one of the busiest sea lanes in the world. It is part of a five-year, £210m. plan to boost Britain's communication links beyond her shores.

The new Sussex station is controlled from North Foreland medium-range station at Broadstairs, Kent. In service continuously, it broadcasts messages, weather forecasts and gale warnings simultaneously with its parent station and can be used by any vessel with VHF radio within about 50 miles.

Leyland forms new export division

Financial Times Reporter

LEYLAND SPECIAL Products, one of the business divisions of British Leyland, is pulling together three of its constituent companies into a new Construction Equipment division aimed at boosting overseas sales.

The new division will eventually have its own managing director — although this position will be taken temporarily by Mr. David Abell, the head of Special Products — and will incorporate an export company called Aveling-Barford International.

The four constituent companies in the group are Aveling-Barford of Grantham; Aveling Marshall of Galusborough; Goodwin Barby of Leicester; and Barfords of Belton, near Grantham.

As part of the reconstruction it is intended to establish a divisional parts and service company, although responsibility for U.K. sales remains with Aveling-Barford, Aveling Marshall, and Barfords.

Mr. Abell said yesterday that exports and overseas sales of the four companies amounted to £32m. in the financial year up to the end of last September.

Support for Tories lags in Scotland new poll shows

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE CONSERVATIVES have lost their commanding lead over other parties in Scotland, and support for them is now lagging behind that for the Nationalists.

A poll in the Glasgow Herald yesterday substantially restored the neck-and-neck running which was the case for most of last year, and illustrated the difference between Scotland and the rest of the U.K. where the Tories still lead.

Compared to November, when a similar poll showed the Conservative support at 35 per cent., the party has dropped to 29 per cent.

The losses are mainly to Labour, which now has 28 per cent. against 24 per cent. in November. SNP support was 33 per cent. (32 last time), Liberals 6 (7) and the breakaway Scottish Labour Party 4 (2).

The decline in Tory fortunes was expected by party leaders and shows the disaffection engendered by the Shadow Cabinet's decision to oppose the Devolution Bill on second reading — a move which led three front-bench Scottish spokesmen to resign.

Mr. Michael Ancrum, vice-chairman of the party in Scotland, said reports from candidates indicated that the party was beginning to win back some of the lost ground as a result of the realignment of the

Researchers in hot water

BATH'S FAMOUS hot springs are to be investigated as part of a long-term national strategy to seek alternative sources of energy. Research into the possible uses of geothermal energy will be carried out at Bath University with a £9,000 grant from the EEC and the Department of Energy.

The team will investigate the gases and radioelements present in the springs at Bath and Hotwells, Bristol, which, it says, have been in existence for about 100,000 years. It is also likely to look at water in granite in Cornwall and at water sources in the Hampshire basin.

Guidelines laid down for research nurses

BY JAMES McDONALD

NURSES undertaking research or any study concerning patients, must be satisfied, before agreeing to any project, that the knowledge sought is not already available, the Royal College of Nursing says.

This is one of the guidelines laid down for nurses involved in this field in a pamphlet produced by the RCN research society entitled *Ethics Related to Research in Nursing*.

It is believed to be the first guidance for nurses in the U.K. involved in such research.

The document divides the subject into three parts: Nurses undertaking research; nurses in positions of authority where research is being carried out; and nurses practising in places where research is being carried out.

"The integrity of the researcher demands that the nurse must not overstep the bounds of her competence and those learning research should only work under the guidance of an experienced researcher," the document says.

"The nurse-researcher's relations with sponsors, employers and colleagues call for the terms under which research is being carried out to be stated in a clear way with as much detail as possible to avoid misunderstanding."

Nurses working in situations where research is taking place may be called on to act as witnesses that "free and informed consent" has been obtained from patient-clients in relation to research.

"They should satisfy themselves that the patient has understood what he is agreeing to and any risks or discomforts involved, and that he is entitled to withdraw at any time."

Nurse managers, it is advised, must satisfy themselves that the achievement of the project's aims by the means proposed is possible and that the research project will not impose unnecessary hardship or an unacceptable increase of work on the subjects of the study or on the staff.

"In reaching these decisions the nurse must take account of other research which may be in progress, and may find helpful the assistance of an experienced researcher or research committee."

"Information which is confidential to them as nurses cannot be made available to the research team unless this has been previously agreed by the nurse in consultation with an ethical committee."

"Data collected for a research team is confidential to the research team and cannot be used in daily work or for any other purpose without the permission of the head of the research team and the subject."

Ethics Related to Research in Nursing, Royal College of Nursing of the U.K., Henrietta Place, Coventry Square, London, W.1. 25p.

New effort to sell five remaining Concorde

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

CONCORDE manufacturers, British Aircraft Corporation and Aerospatiale of France, have set up a new organisation to sell the five aircraft now in production.

Mr. R. J. Gilwell, hitherto vice-president of BAC (USA), will head the organisation with M. Philip Lehoucq of Aerospatiale as his deputy. The new group will be responsible for selling or leasing the aircraft, which are the last of the production Concorde originally authorised.

Of those 16, five have been bought by British Airways and four by Air France. Two more are unlikely to be used for airline operations, because of the cost of updating them to airline standards. This leaves five Concorde, all still on the production line, worth about £125m.

Until they have been sold or leased the British and French Governments are unlikely to finance further production and to preserve Concorde employment — hence the new drive to dispose of the aircraft.

BAC and Aerospatiale are already running down their labour forces at Filton and Toulouse.

The decision to promote sales of Concorde comes only 10 days before the decision (on February 10) by the Port of New York Authority on whether Concorde can operate through Kennedy Airport.

If the authority permits Concorde flights, it could transform not only the aircraft's operational profitability in airline service, but also its sales prospects.

Flights between London and Paris and New York would considerably increase the aircraft's annual utilisation (the number of hours flown) and encourage other aviation authorities around the world, notably in Tokyo, to allow the aircraft into their airports.

HOME CONTRACTS

Tyne & Wear awards £6m. Metro orders

The award of contracts for work on the Tyne and Wear Metro, totalling nearly £6m., has been announced. Contracts worth £4.6m. for driving of twin tunnels, each of about 1.6m. (0.6 miles) from St. James Station to Mariner Station, Newcastle, went to J. MOWLEM AND CO. An order worth £1.3m. for cut and cover work to house twin tunnels between Lindisfarne Drive and Old Fold Station, Gateshead, was awarded to BRIMS, Newcastle, a subsidiary of Swan Hunter and Co. A £200,000 contract for the initial supply of concrete sleepers for the installation of track in tunnels has gone to the English CSE factory of DOM-MAC CONCRETE.

MEL EQUIPMENT COMPANY, Crawley, Sussex, part of the Philips Group, has received a contract worth more than £400,000 for 2190 airborne weather and terrain-mapping radar systems for the Royal Navy. These are to be installed in Jetstream aircraft to be based at the Royal Naval Air Station, Culdroe, and will be used primarily for ground mapping purposes as part of the initial training of Royal Naval observers.

BIRLEC, Walsall, has received an order worth £250,000 from F. H. Lloyd and Co. for a small arc furnace at their James Bridge steel works, Wednesbury.

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HOME NEWS

State's N. Sea tax take may be £5.5bn. by 1980

BY RAY DAFTER, ENERGY CORRESPONDENT

THE GOVERNMENT'S tax take from North Sea oil and gas development is expected to total £5.5bn. up to 1980. During the early 1980s the receipts should rise to an average £3.5bn. annually.

The figures were given yesterday by Mr. Anthony Wedgwood Benn, Energy Secretary, who said that the revenue must be used to help pay Britain's debts, to create new jobs, to revitalize industry, and pave the way for the long-term improvement of living standards.

While the income was substantial — £5.5bn. in the years leading up to 1980 — it would not of itself transform the U.K. into a rich country. Nor was it expected to last on a large scale into the next century.

Britain should take a leaf out of the OPEC countries' book and

use the oil and gas revenue to boost industrialisation.

Mr. Wedgwood Benn told members of Southwark College of Further Education, London: "We have taken powers to ensure that every field is fully exploited, that the U.K. itself will have a secure supply of oil, that the national interest can determine how rapidly the oil reserve is to be used, and that the Government collects a full tax revenue from the sale of the oil."

The Government still had to determine how fast the oil should be exploited, however.

"If the oil was developed too rapidly, the country was in danger of having a national surplus of oil in the 1980s only to move into shortage during a later period of world scarcity," with all the financial implications of that misjudgment.

"Prudent and careful assessment" would be needed to weigh Britain's immediate interests against long-term needs.

It is still unclear whether the Government will specify any new conditions for depleting oil reserves when it announces the new exploration licences within the next week or so.

The Department of Energy said last week that companies would learn this Thursday which offshore licence areas they were being awarded under the fifth round of allocations.

However, the announcement has been delayed until at least next week, partly, it is thought, because of administrative problems.

Mr. Wedgwood Benn said he was confident that the new licences would help to maintain a high level of offshore activity.

Good year ahead for hotel industry

By Arthur Sandles

BRITISH HOTEL profitability, in the doldrums because of overcapacity and rising costs, looks like improving dramatically in 1977. The 1976 tourist boom is clearly going to extend into 1977 — with London hotels already heavily booked for much of the summer — and falling interest rates are easing the financial burden.

So well are the forward bookings coming in, that the British Tourist Authority is struggling to prevent the idea spreading abroad that the U.K. will have "house full" notices up in the summer.

"There is little doubt we will have a very good year," said Mr. Len Lickford, director-general of the BTA, yesterday. "But to say you are full up too soon in the year is a bad mistake. All sorts of things can happen."

The fall in the value of sterling last year helped to spread the impression of the U.K. being an inexpensive destination. This image will continue to have an effect whatever happens to exchange rates this year.

Mr. Melvyn Greene, a consultant, says that although the 1976 collapse of the pound had immediate results, "the real impact on foreign tourism is going to snowball with a lead time of up to two years which will really benefit 1977 and 1978."

Mr. Greene reckons that hoteliers will have to beware of increasing their rates too much.

Insurance brokers set up new body

BY ERIC SHORT

THE FOUR insurance broking organisations in the U.K. yesterday announced establishment of the British Insurance Brokers' Association to represent their industry.

So far the brokers have not been subject to any controls or to registration, and the professional representation has been fragmented. The four main bodies representing them are the Corporation of Insurance Brokers, the Association of Insurance Brokers, the Federation of Insurance Brokers, and Lloyd's Insurance Brokers Association.

Over the past two years there has been pressure from the Government for the insurance broking industry to regulate itself, and the four organisations were requested to produce a scheme. This they have done and at the same time moved towards co-ordinating their operations.

It resulted in the formation in January, 1976, of the British Insurance Brokers' Council, composed of representatives from the four organisations. The Council has since produced its plans for self-regulation and has negotiated with the Government on behalf of brokers. BIBA will take over the work and responsibilities of the Council.

The brokers' proposals have been incorporated in the Insurance Brokers (Registration) Bill, a private member's Bill, introduced by Mr. John Page, Conservative MP for Harrow West, which had its second reading last Friday. The Bill, which is supported by the Council,

will require the brokers to be registered with the Council. The Bill also provides for the Council to set standards for the industry and to monitor compliance with them.

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If you've a problem we'll give you a hand, or a harvester, or a computer, or...

By supplying expertise or hardware, we help a lot of people solve their problems - in the UK, in Europe, and throughout the world.

We can do this because we're a Corporate Entity. We think that's a good thing to be. There are strengths and advantages - the crossflow of ideas, the exchange of information, the strength of unity, and the muscle of investment, giving all within the group a real chance to grow.

But the disadvantage of being a Corporate Entity is that some people who we could be helpful to, or could be helpful to us, don't know who's who or what's what within the organisation.

Since we'd like these people to know who and what, we're presenting a list of our activities.

Perhaps we can help you, whether as a Chairman of a company, a member of a company, or simply as a fellow member of the human race.

Computers and Office Systems

We're pretty big in computers.

But don't let that put you off - we're pretty small in computers too.

In fact our Sperry Univac world-wide computer installations add up to \$7,400 million and are employed in so many different capacities in so many different places we couldn't list them all in one ad.

But you don't have to be a factory, or a railway, or an airline, or a bank, to call on us for help, although if you are any of these, we can drop a few names which will reassure you as to our qualifications.

And we're interested in your offices. They constitute the brain cells of any industry and working in them can be efficient and exhilarating or plain bloody drudgery and muddle.

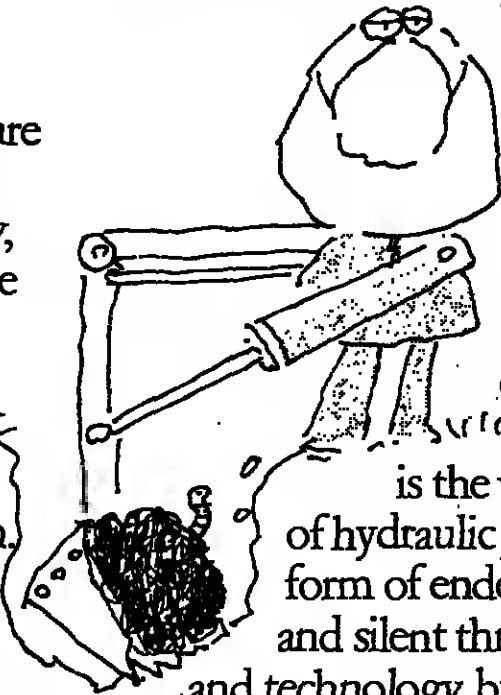
We make computers and machines which enable the first of the alternatives to be achieved - equipment varying from simple filing systems to complex management information systems.

Filing may not sound glamorous, but to the person who's stuck with it it's as important as computing the affairs of a world-wide banking concern, so we do our best for both of them.

Hydraulic and Pneumatic Systems

Fifty years ago Harry Vickers invented the first efficient low-cost high pressure pump for hydraulic control systems. (Just as well - in order to raise the wheels of a modern airliner by muscle power, the interior would resemble a slave galley, and you could forget about such luxuries as passengers.)

Today Sperry Vickers hydraulics provide the muscle behind fork-lifts, earth movers, cranes, and other industrial 'heavies' -



inside the factories Sperry Vickers pneumatics provide the precision control for such delicate operations as plastic injection moulding and machine tool operation.

In fact, Sperry Vickers is the world's largest manufacturer of hydraulic pumps and valves. It's a form of endeavour which runs unseen and silent through every part of industry and technology, but though unseen (if you'll permit a joke), we've got a lot of push.

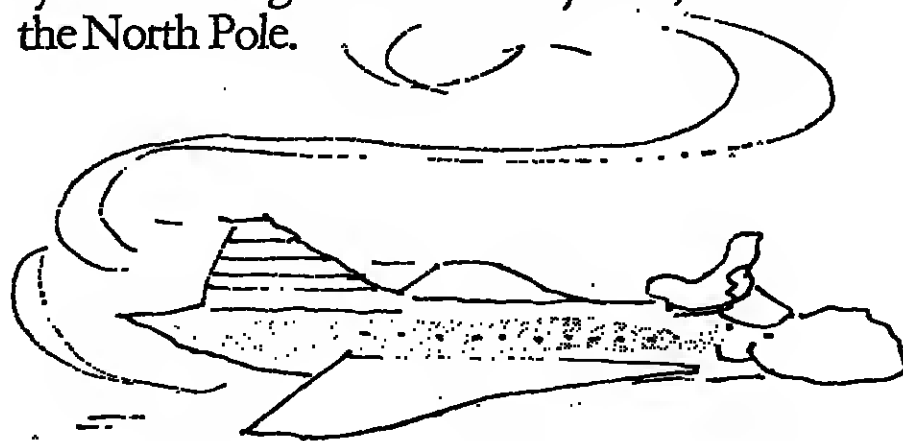
Guidance and Control Systems

Until recently bad weather made airports shut shop and left aircraft seeking frantically for a bare patch to bump down on.

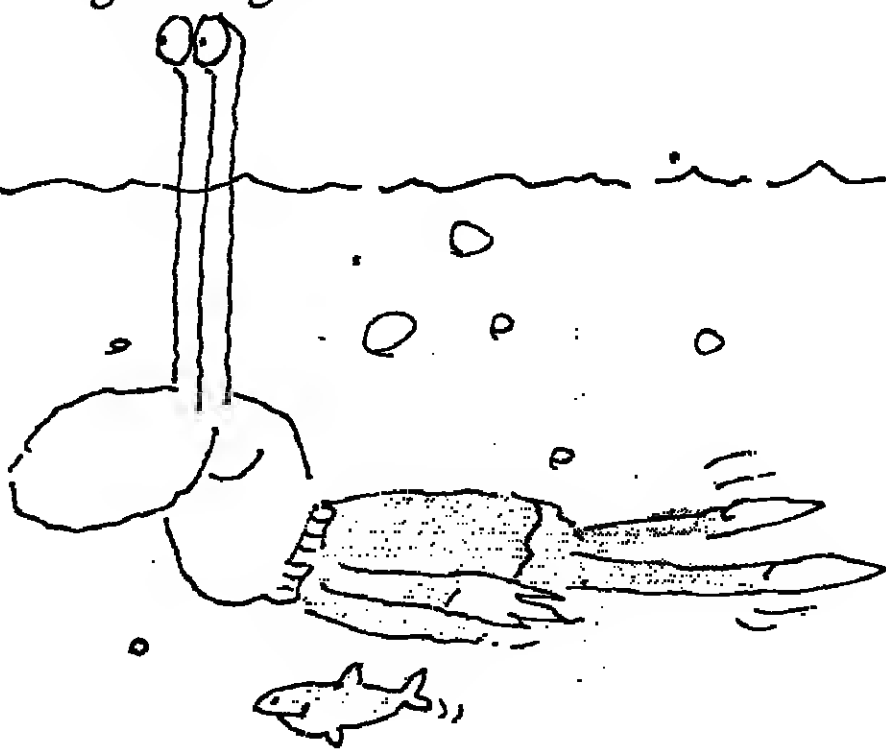
Today, Sperry automated landing systems assure safe touch down even under zero visibility.

And our Sperry Univac Automated Radar Terminal Systems cope with what was once thought to be the insoluble - the ever-increasing masses of aircraft occupying an ever-diminishing amount of air space.

An ever-increasing number of Sperry navigational and guidance systems are being used for aircraft and surface and sub-surface shipping. For instance - it was a Sperry guidance system which got a Polaris not just to, but under the North Pole.



Of course all this is not just about submarines, or aircraft, or trucks, or trains; these devices are usually stuffed full with mankind's most precious commodity - people. So in the end what we're doing is saving lives.



Agricultural Equipment

Sperry New Holland is the largest manufacturer of specialized agricultural equipment in the world. One of our 'firsts' was an automatic baler which revolutionized hay-making, and we turn quite a few heads with a harvester that allows one man in one machine to harvest six tons of grain an hour - 60 tons on a good day! A harvester so versatile it can harvest wheat, oats, barley, maize, even grass seed.

Beyond the physical presence of the durable, versatile machinery we produce is the promise of increased efficiency in the handling of precious resources, more food for a hungry world and a bit more ease for the farmer's aching back. It's what we mean when we say 'making machines

do more, so man can do more'. And if giant harvesters aren't quite your thing - we've probably got something going in your bathroom. The next time you're shaving, reflect - you're using a shaver from Sperry Remington.

If you're not, you're using the wrong shaver.

In a nutshell - Sperry

Sperry is a Corporate Entity comprising six successful divisions. Sperry, Sperry Flight Systems, Sperry Univac, Sperry New Holland, Sperry Vickers and Sperry Remington, creating wealth, work and work opportunities with 17 factories and over 23,000 employees in 15 European countries; six major plants and over 6,600 employees in the UK alone.

If you think we can help you, or you'd like to know more about us, just tick the appropriate box, or boxes, in the coupon provided, and post to us at the given address.

If you've a particular enquiry which the boxes don't cover, drop us a line, we'll be pleased to help.



Please send me information on the following:

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| <input type="checkbox"/> Computer Equipment and Office Systems | <input type="checkbox"/> Hydraulics and Pneumatics |
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Tick the boxes for the subjects you're interested in and post to:
Sperry Rand Limited, 78 Portsmouth Road, Cobham, Surrey KT11 1JZ.

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**Making machines do more,
so man can do more.**

The new Ford Fiesta



Oh what a beautiful baby!



Fiesta S with optional alloy wheels, head restraints and radio at extra cost.

مكثان الاصل

Never has so much advanced engineering gone into a small car

We believe that advanced engineering should make a car work better without making it more complicated and expensive to maintain. Because the simpler a car is, the less it costs to own.

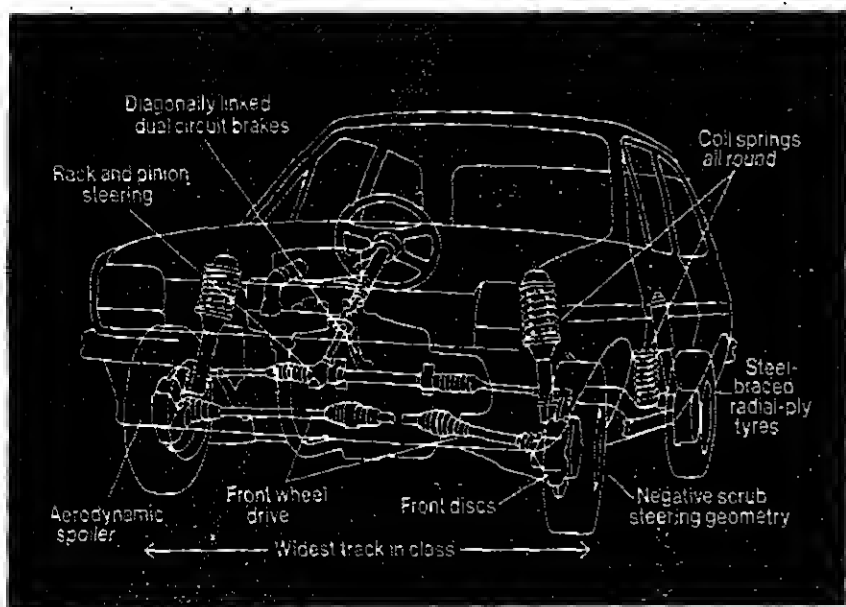
That's the thinking behind the new Ford Fiesta.

It's a three door hatch-back with folding rear seats, a transverse engine and front wheel drive.

In fact it combines all the best features of all small cars, in just one car: safe handling, a surprising amount of space and remarkable economy.

Safe, decisive handling

The steering has a built in safety feature called Negative Scrub Geometry. It helps to counteract a car's natural tendency to swerve one way or the other under adverse braking conditions, so it helps you stop in a straight line in emergencies. That means that if a front tyre blows out, or if you have to make a violent stop on a wet road, the Fiesta is much easier to control.



Some of the Fiesta's safety features.

The brakes are dual circuit with discs at the front. It's a *diagonally linked* system, so if one circuit should fail, you still have braking at both ends of the car.

Cornering? The Fiesta has the widest track in its class, with coil springs all round and steel-braced radial ply tyres. The steering is rack and pinion, the simplest, most direct system there is. And that spoiler under the front bumper creates down-forces that increase stability, especially at high speed.

The gearbox lives up to Ford's reputation for light, quick and precise changes, a real achievement with a front wheel drive car.

And there's a choice of engines: 950 cc (40 DIN bhp) which uses two star petrol for extra economy, 950 cc (45 DIN bhp) and 1100 cc (53 DIN bhp).

The Fiesta is nippy in traffic and a decisive overtaker on the open road. Performance and economy figures are listed in the panel below.

Engine size (cc)	Max. Speed (mph)*	DIN Fuel Consumption (mpg)*	FIESTA PRICES	
950 (40 DIN bhp)	80	41.5	FIESTA	from £1856
950 (45 DIN bhp)	85	37.7	FIESTA L	from £2079
			FIESTA S	from £2380
1100 (53 DIN bhp)	90	35.8	FIESTA GHIA	from £2667
Maximum Prices as at 2nd February 1977. Seat belts, Car Tax and VAT included. Delivery and number plates at extra cost.				

*Ford computed figures.

For a baby, it's pretty big

There is more legroom in the back of the Fiesta than in any comparable car, and that's where it matters most. Admittedly, it's only a matter of inches more, but the clever thing is that we've made it *feel* even bigger than it really is. See how slim the roof pillars are? And look at the depth of the windows. It's really light and airy inside. The glass area is no less than 25 sq. ft., and you have 309° of all round vision. Quite a safety feature.

With the back seats folded there is 42.6 cu. ft. of luggage space. Or, to look at it another way, there's even room for a chest of drawers in the back.



The Fiesta has more legroom in the back than any comparable car.

And you see the way the back door, which is assisted by twin gas struts, opens to floor level. That means that you don't have to heave heavy cases over a high sill. Women drivers will appreciate this point when they're doing the weekly shopping.

For an advanced car, it's amazingly cheap to own

Fuel consumption figures obtained using standard European procedure (DIN) are 37.7 mpg for the 950 cc 45 bhp models and 35.8 mpg for the 1100 cc models. And the 40 bhp models can do as much as +1.5 mpg on two star petrol*.

To reduce ownership costs further we've simplified servicing. To name just a few labour-saving features, the Fiesta has a self-adjusting clutch, self-adjusting brakes, maintenance free wheel bearings, and 'lubed for life' suspension and steering.

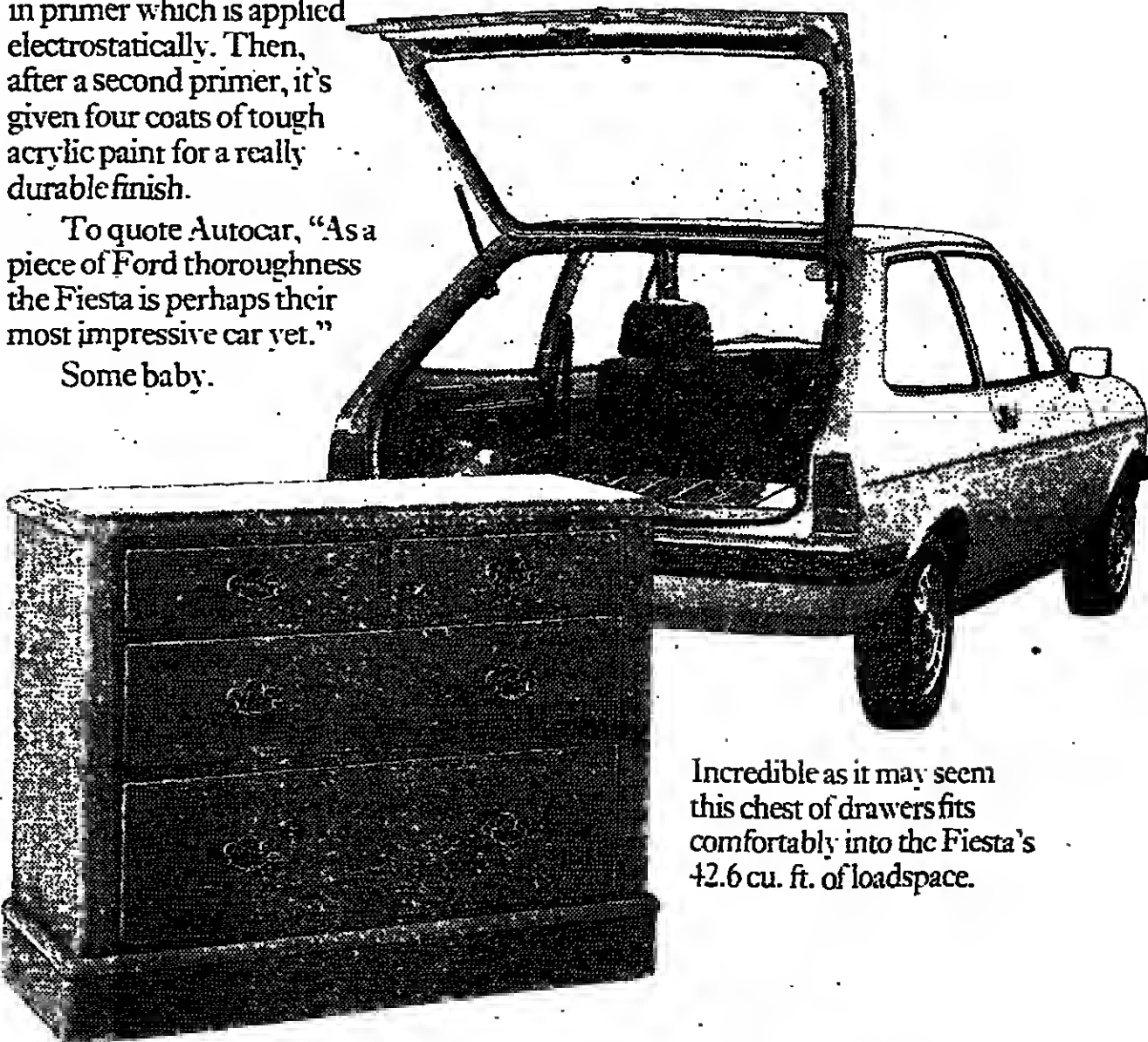
And since electrical systems are the biggest single cause of breakdowns, we've reduced the number of connections in the Fiesta to a bare minimum. For instance, it has a printed circuit instrument cluster.

You'll also find a surprising amount of space under the bonnet which makes everything very accessible. If you like to do your own servicing, you can get at all the parts you need to without skinning your knuckles.

The same attention to detail goes into the bodywork. First it's treated with phosphate which inhibits rust. Next the entire body is immersed in primer which is applied electrostatically. Then, after a second primer, it's given four coats of tough acrylic paint for a really durable finish.

To quote Autocar, "As a piece of Ford thoroughness the Fiesta is perhaps their most impressive car yet."

Some baby.



Incredible as it may seem this chest of drawers fits comfortably into the Fiesta's 42.6 cu. ft. of loadspace.

FORD FIESTA



APPOINTMENTS

Group changes at APV

Mr. H. P. N. Benson is to become chairman and chief executive of APV Holdings and chairman of the APV Company after the annual meeting on May 18. Mr. P. W. Seligman is retiring from the chairmanship of APV Holdings on that date.

At the same time the following appointments and changes will take effect:

APV Holdings: Mr. K. A. G. Miller, managing director, responsible for all the operating companies except those of the Hall-Thermostat Group which remain the responsibility of D. K. Fraser; Mr. R. M. Seligman, marketing director; Mr. K. A. Grover joins the Board as finance director; and Mr. D. T. Shore joins the Board as managing director of the APV Company.

The APV Company: Mr. Miller, deputy chairman; Mr. Shore, managing director; Mr. A. Boyce, deputy managing director and will remain works director; Mr. C. E. Brimacombe, marketing director; Mr. T. F. S. Cooper joins the Board as overseas director; Mr. N. L. T. Garrett joins the Board as home sales director; and Mr. D. Slater joins the Board as research director.

Dr. Harold Brown, on his appointment as U.S. Secretary of Defense, is resigning as a director of SCRODERS.

Mr. Alister Frazer of London, Mr. W. M. Leonard of Sydney, and Mr. Richard H. Searby of Melbourne, have been appointed directors of CONZINC ROTENTO OF AUSTRALIA.

Mr. K. A. R. Julian has been appointed a director and general manager of APV-MITCHELL, a member of the APV Group.

Mr. Peter W. Barker, a director and general manager of Yorkshire Post Newspapers, is to remain managing director of BURRUP MATHESON AND CO. (HOLDINGS) from April 1. Mr. Alan Brooke, managing director of Exel Group, the parent concern, has been acting managing director of Burrup and will continue as chairman of that company.

Mr. A. W. G. MacIntyre and Mr. M. M. Sahrawal have been appointed joint managing directors of DUNLOP INDIA following the retirement of Mr. W. N. Scott.

Mr. P. H. Spencer, head of corporate planning, NATIONAL WESTMINSTER BANK, has been appointed regional executive director of the bank's south-east region. He succeeds Mr. E. W. Read, who retires on June 30. Mr. Spencer was assistant regional director of South-East Region from 1971 to 1974, and previously area manager of outer city area.

Mr. T. E. C. Bell has become a director of BROOK HILL PROPERTIES, a subsidiary of the company's Board. Mr. Bell retired recently as group general manager of the National Bank of Australia.

The Duke of Devonshire has been elected president and Mr. Richard Horne (director of Boddys Industries) has become chairman of the COAL TRADE BENEVOLENT ASSOCIATION.

Mr. Maxwell Joseph, chairman of Grand Metropolitan, has been appointed chairman of the national council of the BRITISH HOTELS RESTAURANTS AND CATERERS ASSOCIATION. He succeeds Sir Charles Fort, who has completed his two-year term of office. Vice-chairman of the council is Mr. Douglas Barrington. Mr. Rex Joseph becomes chairman of the Association's Board. Mr. Joseph is a director of the company's Board. Mr. Joseph is a director of the company's Board. Mr. Joseph is a director of the company's Board.

Mr. Ronald Pearson has been appointed technical director and executive director of WETTERBY ELECTRIC. The company is marketing a new concept in jointing systems developed in conjunction with the Electricity Council Research Centre. Mr. Pearson's previous position was that of research and development director with the company's technical sales, with Hapworth Electrical Developments.

Mr. Paul Sanders has been appointed managing director of Wilson Construction, and Mr. Glyn Williams, joint managing director of Wilson (Connolly) Properties and Wilson (Connolly) Investments. The parent concern is WILSON (CONNOLLY) HOLDINGS.

Professor James E. S. Fawcett (president of the European Commission of Human Rights) has been appointed chairman of the Board of Governors of the BRITISH INSTITUTE OF HUMAN RIGHTS in succession to Mr. A. B. McNulty, who has retired. Mr. A. B. McNulty (until recently secretary of the European Commission) has become a director of the Institute.

Professor Michael Zander has been appointed by the University of London to a Chair of Law at the LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE.

Angus Ogilvy directorship at Sotheby's

Mr. Angus Ogilvy, who resigned all his City directorships last year, has been appointed a working director of SOTHEBY'S PARKE BERNET AND CO., fine art auctioneers.

Mr. Monty Stokes has been appointed executive director of ROSOR CONFECTIONERY, a member of Warriner and Mason (Holdings).

Mr. Colin B. Slater has been appointed a director of NTN BEARINGS-GKN.

Mr. Robert E. Macdonald, general manager and actuary of the SCOTTISH MUTUAL ASSURANCE SOCIETY, has been appointed a director.

Mr. Maurice Machin has joined WOLVERHAMPTON INDUSTRIAL ENGINES as administrative director.

Mr. E. A. M. Lee, at present deputy director, city division, Williams and Glyn's Bank, is to become a local director of CHALD HOLIDAY HOMES in place of Mr. J. N. W. Oudley, who is retiring.

Mr. Stephen Wheatcroft has been appointed chairman of INTERNATIONAL AERADIO in place of Mr. Russ Stainton, who has resigned to concentrate on his new position as deputy chairman (commercial operations) of British Airways. Three senior managers of International Aeradio have also been appointed to its Board: Mr. R. B. Rofe (aviation), Mr. A. Swann (finance), and Mr. J. R. Gendie (products).

Mr. Peter McGowan has been appointed design director of SHAW CARPETS.

Mr. H. C. Cowling has been appointed sales director of WIPAC GROUP SALES. He was previously export manager and sales director for Mr. E. G. Wigney, who has retired.

Mr. John Uta, vice-chairman and managing director and Mr. Jack Wilson, financial director, of Wormald International, have been elected to the Board of MATHER AND PLATT following the merger of the companies.

Mr. Adrian Pooley has been appointed to the newly-created post of group communications manager for TANLAC. Mr. Keith

Bohman, former group publicity manager, has resigned and left the group. Mr. Pooley was previously with Bovis.

Mr. Peter W. Greenwood has been appointed deputy managing director of the tobacco machinery division of MOLINS. He has been succeeded as group financial director by Mr. Peter Marsh.

Mr. E. N. Addison, chairman of the importers' section of the Machine Tool Trades Association, has been appointed vice-president of the European Liaison Committee of MACHINE TOOL IMPORTERS (Comité Européen de Liaison des Importateurs de Machines-Outils). Mr. Addison is chairman of the Addison Tool Company.

Mr. George Porritt has become director-European operations of ALLEN-BRAOLEY International, which has been succeeded by the managing director of Allen-Braley Electronics by Mr. J. Thomson.

Mr. M. J. Rust has been appointed a director of HARTLEY COOPER LIFE AND PENSIONS BROKERS.

Mr. Anthony J. Tennant has been appointed to the Board of GRAND METROPOLITAN.

Mr. H. Peter Hart has been appointed a non-executive director of CHRISTY BROTHERS.

Mr. N. A. Gleeson-White and Mr. N. A. E. L. Millard will retire from full-time executive duties on February 4 but will remain on the Board as non-executive directors. Mr. A. J. S. Taylor has been appointed by Mr. P. A. D. Ouffell to be his alternate director.

Mr. A. B. Constable has been appointed a director of BLAND PAYNE REINSURANCE BROKERS.

HARRIS LEBUS has made the following appointments at Lebus Upholstery: Mr. E. Savage, commercial services director, Mr. John Hinde, sales director, and Mr. Robin Davies, quality director, a newly-created post.

Sir Horace Heyman, chairman of the English Industrial Estates Corporation, has retired from the DUNHAM TRAVEL Board but remains on the supervisory Board of the parent company, Hotelplan International, part of the Migros organisation.

Mr. Peter Rowley, Mr. Gordon Winter and Mr. Maurice Coles have been appointed to the Board of HARDALL, a subsidiary of Percy Lane Group.

Mr. Leslie Richardson has relinquished his position as joint managing director of Hardall but remains on the Board as a consultant.

Mr. P. Ashley Miller has become a director of ARBUTHNOT SECURITIES and he and Mr. J. Magney have joined the Board of ARBUTHNOT INVESTMENT MANAGEMENT SERVICES. These appointments follow the recent agreement concerning investment management services between Arbutnot, Latam and London Bank. Mr. Ashley Miller retains his directorship of the Ionian Bank.

Mr. Jim Mundell has been elected chairman of the BRITISH METAL CASTINGS COUNCIL, which represents the interests of the British foundry industry, ferrous and non-ferrous, at home and in the European Community. He is chairman of Dench Castings.

Mr. T. J. Nardecchia has been appointed deputy chairman of NORTHAMPTON DEVELOPMENT CORPORATION following the retirement of Lord Nardecchia from the Board. Mr. Nardecchia is a senior partner in Montagu Evans and Son.

NOTICE OF REDEMPTION

United Merchants Overseas Capital Corp. N.V.

9% Guaranteed Sinking Fund Debentures due March 1, 1982

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Fiscal Agency Agreement dated of March 1, 1970 under which the above designated Debentures were issued, \$861,000 aggregate principal amount of such Debentures of the following distinctive numbers has been selected for redemption through the operation of the sinking fund on March 1, 1977.

\$1,000 Coupon Debentures									
34	4	1019	2373	4330	5169	5935	6970	7038	7238
35	4	1019	2373	4330	5169	5935	6970	7038	7238
36	4	1019	2373	4330	5169	5935	6970	7038	7238
37	4	1019	2373	4330	5169	5935	6970	7038	7238
38	4	1019	2373	4330	5169	5935	6970	7038	7238
39	4	1019	2373	4330	5169	5935	6970	7038	7238
40	4	1019	2373	4330	5169	5935	6970	7038	7238
41	4	1019	2373	4330	5169	5935	6970	7038	7238
42	4	1019	2373	4330	5169	5935	6970	7038	7238
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47	4	1019	2373	4330	5169	5935	6970	7038	7238
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97	4	1019	2373	4330	5169	5935	6970	7038	7238
98	4	1019	2373	4330	5169	5935	6970	7038	7238
99	4	1019	2373	4330	5169	5935	6970	7038	7238
100	4	1019	2373	4330	5169	5935	6970	7038	7238

The Debentures specified above will become due and payable at 100 per cent of the principal amount thereof, together with accrued interest to the date fixed for redemption (a) at the Corporate Trust Office of Citibank, N.A., Fiscal Agent under the Agreement referred to above, No. 111 Wall Street, in the Borough of Manhattan, the City of New York, or (b), at the option of the holder and subject to any laws or regulations applicable thereto, at the main offices of Amsterdam-Rotterdam Bank N.V. in Amsterdam, Banque de Bruxelles S.A. in Brussels, Commercial Bank Aktiengesellschaft in Frankfurt/Main, Citibank, N.A. in Amsterdam, Bank of Montreal in London, and Citibank, N.A. (Belgium) S.A. in Brussels; or at the main office of Kredietbank S.A. Luxembourg in Luxembourg. Payments at the offices referred to in (b) above will be made by a United States dollar check drawn on a bank in New York City or by a transfer to a United States dollar account maintained by the payee with a bank in New York City, on March 1, 1977. On and after the redemption date, interest on the said Debentures will cease to accrue, and upon presentation and surrender of such Debentures with all coupons appertaining thereto maturing after the date fixed for redemption, payment will be made at the said redemption price out of funds to be deposited with the Fiscal Agent.

Coupons due March 1, 1977 should be detached and presented for payment in the usual manner.

United Merchants Overseas Capital Corp. N.V.

January 28, 1977

The technical Page

EDITED BY ARTHUR BENNETT AND TEN SCHOTTERS

RESEARCH

Lessens need for hydrogen

A TASK force of scientists, at Battelle's Geneva centre, has shown that it is possible to use the hydrogen in certain metallic hydrides to hydrogenate organic molecules, rather than using hydrogen gas directly, or treating the products with reducing agents.

It is not always convenient to apply gas in a process while the reducing agent cannot be recycled. At the same time, it is possible to regenerate the spent hydride simultaneously with the hydrogenation by water electrolysis. At no stage of the process does the hydrogen appear in gaseous form, however.

The scientists report that under steady-state conditions—when the hydrogen content of the hydride remains constant—the overall reaction rate is proportional to the applied current producing electrolysis.

Where several competing hydrogenation reactions are taking place, selectivity can be controlled by varying the current. The process is independent of all sources of gaseous hydrogen and hydrogenation yield approaches theoretical maximum as all the hydrogen that is extracted from the water is transferred to the molecules being reduced.

The process is very high yielding and the hydrogen produced is highly reactive, form, while safely is improved because the hydride is easy to handle.

Reaction products are easy to separate and purify and the development of the process could result in an appreciable reduction in process costs.

It will be of interest to many people in the chemical industry. But before it can be applied on a wide scale there is a need for basic research investigation to permit a detailed study of the application and the development of specific processes.

An interdisciplinary research group has been set up by Battelle at its Geneva centre, 7 route de Orize, 1227 Carouge, Geneva, Switzerland.

Industry are being highlighted: energy distribution; environmental (such as water and sewage lines); chemical manufacture; food and drink manufacture; and the hydraulic transport of minerals and aggregates.

BHRA is seeking information from consultants, pipe manufacturers, coaters, liners and users who would be willing to fill in a questionnaire. Those assisting in this section of the survey would be entitled to a summary report of the main conclusions, subject to agreement by the major sponsors, and would be able to buy the full report before it is generally available.

The final document will include a review of research and development, assessments of the methods of internal and external pipe protection against corrosion, and the evaluation of user experience.

Those willing to complete the questionnaire, should write to Dr. P. J. Baker, BHRA, Cranfield, Bedford, MK43 0AJ.

Five main categories of in-

Perfite is indistinguishable from the replaced equipment.

The unit stores data on 3M OC300A Data cartridges, each with a capacity up to 2m. 8-bit bytes. These cartridges are equivalent to hundreds of paper tapes, occupy far less space and are re-usable.

Apart from this emulation ability, the unit can do local processing within the peripheral. All the time-consuming tasks of error correction and file searching are performed by the M8000, thus relieving the main computer of this duty and making its time available for more demanding operations.

Sintron Electronics is on Reading (0734) 85464.

● COMPONENTS

Cryogenic valve

A STAINLESS steel cryogenic valve for operation at temperatures down to -200 deg. C and at pressures up to 408 bar, has been introduced by Unit Controls, Whitefield Road, Bredbury

LABOUR NEWS

Tractor plant strikers get official backing

BY ALAN PIKE, LABOUR STAFF

THE ENTRENCHED strike at the Massey-Ferguson tractor plant in Coventry entered a new and potentially more bitter phase yesterday. The Amalgamated Union of Engineering Workers executive decided to make the dispute official.

Mr. Hugh Scanlon, AUEW resident, said that the executive endorsed the action of its members in "resisting a lock-out by the management" and called on all other unions with members at the factory to recognise the strike and the principle involved.

About 1,150 assembly workers have been on strike since before Christmas in a dispute which began when 128 employees were disciplined for lack of effort. Their action has so far cost the company production worth nearly £40m.

A further 2,250 workers are laid off, and the 1,150 still working will now come under strong

Guarantees

Strikers lobbied the AUEW's London headquarters while yesterday's executive meeting was taking place. They accused the company of "baiting" established procedures in toughening up on industrial relations.

The AUEW executive gave official backing to the strike despite indications that it is not supported by other sections of the Massey-Ferguson workforce. The strikers—who last week ended occupation of the factory after

the company gained a court order—hope their picket lines will be respected now their action is official.

● The unofficial strike over disciplinary procedures which cost Ford £14m. worth of production at its Halewood factory ended yesterday. A mass meeting accepted a recommendation from shop stewards to return to work.

● A fresh dispute hit Leyland's Triumph factory in Coventry. Over 300 paint shop workers walked out in a dispute over a time-and-motion study, and the company was unable to go ahead with the planned recall of 1,900 other workers following settlement of an earlier dispute.

● Lay-offs were threatened today by a strike of 350 press operators at Leyland's car body plant at Castle Bromwich, Birmingham. The men, walked out when told they would lose pay for holding a meeting lasting several hours.

Mitsubishi drops travel subsidy plan

BY CHRISTIAN TYLER, LABOUR STAFF

MITSUBISHI, the Japanese trading company, last night decided to cancel a plan to pay its London office staff a travel subsidy. Its London general manager had been told by the Department of Employment that the subsidy would have exceeded the limits laid down in the voluntary incomes policy.

Clearly embarrassed by the publicity given to its plan to pay junior staff up to £8 a week to help them with the cost of commuting to the company's offices in the City, the company said it was its policy "to abide by both the letter and the spirit of public law in the countries in which it is operating."

There is little doubt many minor breaches of the policy are occurring, intentional or not, and that the chances of discovery are in many cases small.

But major breaches have been rare. One case has been publicised—a breach of the Standard Telephones and Cables. It has also reminded the Newspaper Publishers' Association of

the policy, and will certainly be looking at some Fleet Street newspapers' applications for price increases because of suspected breaches.

Another case involved British Oxygen, which had planned to provide some of its managers with furniture on expenses so they could put on a better show when entertaining foreign visitors at home.

The Department stressed yesterday that Government sanctions were considerable. Price increases "could" be refused, and Government "contracts" refused, and State aid withdrawn.

Lord Peart, who said that about 44m. workers covered by major agreements have settled within the limits since the present phase began on August 1 last year—or about 30 per cent. of the total.

Where unions have pursued claims, that would breach the policy, notably the seamen and the miners—the TUC economic committee has been the main referee.

Civil servants dig in heels over dispersal

By David Churchill, Labour Staff

CIVIL SERVICE unions are to refuse to co-operate with Government departments over plans to transfer some 31,000 civil servants from London to areas such as Glasgow and Cardiff over the next seven years.

This action, which had been threatened by the unions, could seriously jeopardise the Government's dispersal programme. The decision was made after yesterday's meeting between the union leaders and Lord Peart, Lord Privy Seal and the minister responsible for the Civil Service.

Lord Peart told the unions that there could be no question of the Government changing its mind on dispersal or of holding an independent inquiry as the unions wanted. The union leaders made clear afterwards that they were angry at the Government's apparent unwillingness to reconsider in view of the detailed economic and social arguments put forward in opposition.

The Civil and Public Services Association, the biggest Civil Service union, has already implemented a non-co-operation policy. Most other unions will follow shortly.

Only the Society of Civil and Public Servants, which represents middle-management in favour of dispersal, but only by volunteers.

Major unions re-affirm opposition to Bullock

THE SECOND and third largest unions in the TUC yesterday re-affirmed their opposition to the extension of industrial democracy as suggested by the Bullock Committee last week.

The Amalgamated Union of Engineering Workers, which is opposed to worker directors in the private sector, is to write to the Prime Minister urging that no decision on worker directors be taken until there was "the fullest possible" discussion on both sides and in Parliament.

The AUEW is anxious to ensure that these unions and the TUC congress in September have the chance to discuss the Bullock report in detail. It hopes that its own view—that there should be an unlimited extension of collective bargaining—will gain support in other unions.

Meanwhile, the General and Municipal Workers Union, the third largest union, also endorsed its criticism of the Bullock proposals at its regular executive meeting.

The GMPWU argues that the proposals are inadequate and not radical enough for the needs of the union movement. In addition, a single Board structure with only minimum legal support is too restrictive, it says.

Similar to the AUEW, the

Union critical of police order

THE EXECUTIVE of the Amalgamated Union of Engineering Workers is complaining to the Government about police forces ordering German motor cycles. It believes that the products of the Meriden workers' co-operative are both suitable and cheaper.

District committees are being urged to pursue the matter with individual police authorities.

Vickers deal 'in danger'

VICKERS at Barrow-in-Furness said yesterday that, because of a "Who does what?" row it stood in lose a multi-million pound order for undersea pipelines for the offshore oil industry.

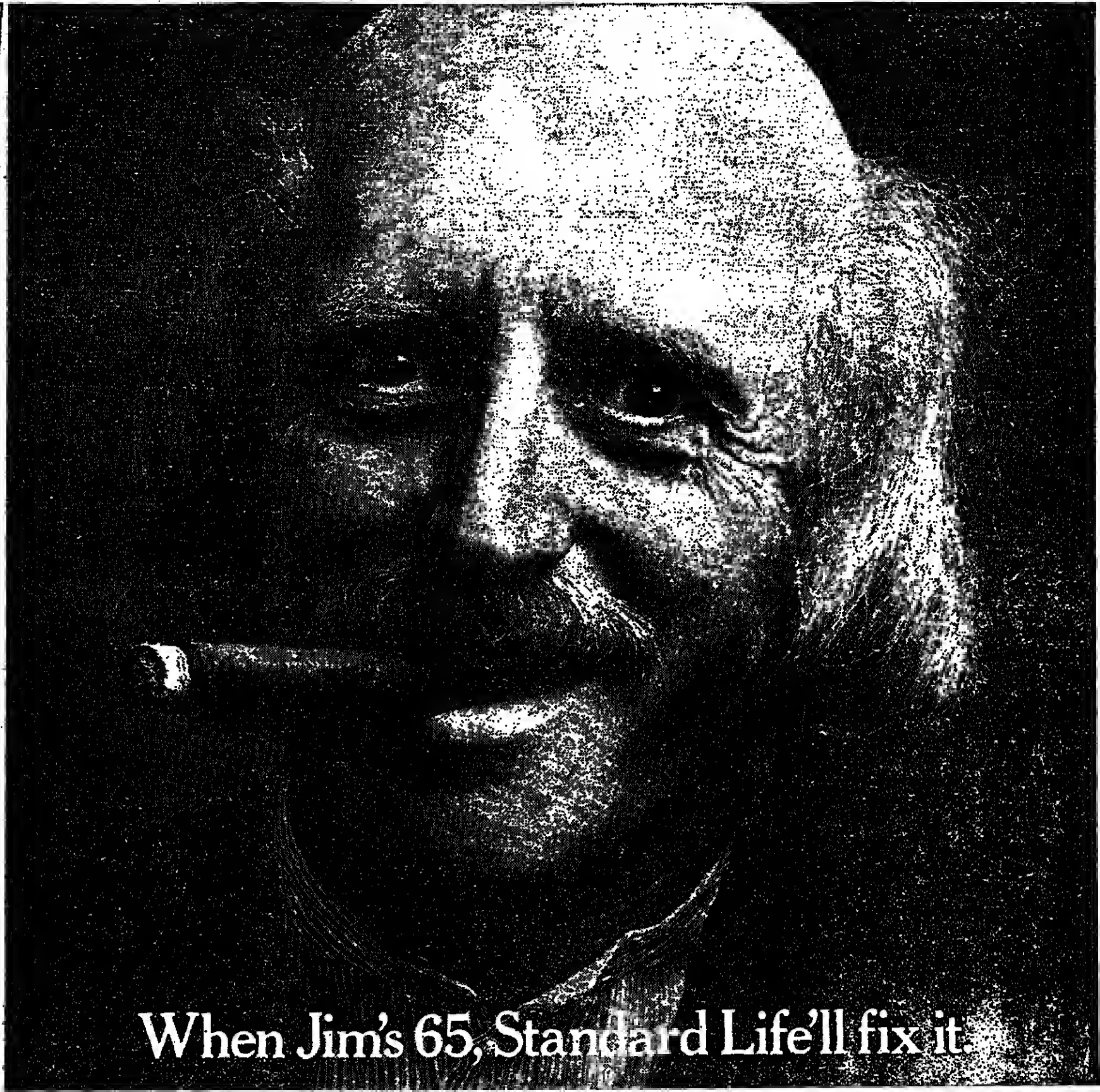
The company said the disagreement over which union should do certain welding work had continued for nearly a year.

Warm offer to miners

THE NATIONAL Coal Board yesterday offered three-bedroomed, centrally heated houses to former miners who want to return to underground work at Bevercotes Colliery, Nottinghamshire. About 50 houses are available for miners in the area.

The NCB said: "We have made the offer in an attempt to increase manpower and production at the pit. We hope it will soon be able to turn out over a million tonnes of coal a year."

HOW THE MINERS VOTED			
	Total votes	Voting "Yes" (%)	Voting "No"
Leicestershire	2,254	1,935 (86)	419
Officials and Staff	14,199	11,324 (80)	2,875
S. Derbyshire	2,423	1,809 (75)	614
Notts.	24,462	17,819 (73)	6,643
Coalmin.	3,582	2,510 (70)	1,072
Northumberland			
Mechanics	1,859	1,254 (67)	605
S. Wales	20,924	13,869 (66)	7,055
N. Wales	805	535 (66)	270
Power Group 1	3,795	2,401 (63)	1,394
Cumberland	759	478 (63)	281
Durham-Mechanics	4,726	2,879 (61)	1,847
Power Group 2	809	549 (68)	260
Midland	10,482	6,738 (64)	3,744
Northumberland	4,172	3,619 (87)	553
Durham-Engineers	732	429 (59)	303
North West	8,535	5,743 (67)	2,792
N. Derbyshire	9,158	5,049 (55)	4,109
Durham	12,916	8,361 (65)	4,555
Scottish Engineermen	4,116	1,530 (37)	2,586
Yorkshire	13,357	4,139 (31)	9,218
Scottish	2,155	478 (22)	1,677
Kent			
TOTALS	192,009	105,845 (55)	86,164



When Jim's 65, Standard Life'll fix it

Anyone who knows Jimmy Savile, O.B.E., will tell you that he's generous with his talent, generous with his time. And when it comes to business, they'll tell you he's shrewd, which he is.

His earnings are cannily invested and, since 1966, a substantial part of his life assurance arrangements have been with Standard Life, the famous Scottish Company which has specialised purely in this type of business for more than 150 years.

Now while it's possible you don't earn as much as Jimmy Savile, it's highly probable you need the rare, enviable combination of security and performance that Standard Life provides.

So call on your insurance broker soon and ask his advice.

Between us, we can fix it too.

Standard Life

The largest mutual life assurance company in the European Community.

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NOT PAYING ANY UNTIL 1990.



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Your nearest office of the Industrial Development Authority is 28 Bruton Street, London W1X 7DB. Telephone Hugh Alston at (01) 629 4214 / (01) 499 6155. Ask for a total package tailored to your project: financial and tax benefits, workforce recruitment, training... whatever you need.

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Blake Edwards' **"The PINK PANTHER STRIKES AGAIN"**

Starring Peter Sellers
 In partnership with United Artists

Running ahead of "The Return of the Pink Panther"
 which had a world wide gross of \$75,000,000.
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VOYAGE OF THE DAMNED

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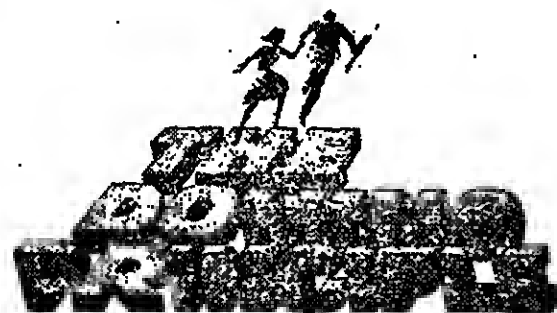
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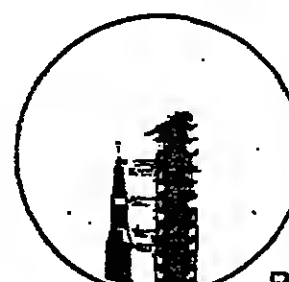
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Law. Grade

The Management Page

EDITED BY JOHN ELLIOTT

BULLOCK REPORT

GKN sets out the problems

BY BARRIE HEATH

I HAVE a strong personal interest and belief in my concept of industrial democracy. This concept involves a participative style of management, with the involvement of employees at every level—trades unionists and non-trades unionists alike—in the policy formulation and decision-making which directly affects them and their jobs. My basic objection to the Bullock majority report is that it is not about industrial democracy at all. I believe that the target of the majority was and is a shift of power: that their ultimate objective was and is, not industrial democracy, but control of the private sector by organised labour.

As such, the majority report is an ideological document which needs to be read in conjunction with the repeated shrill calls by Mr. Wedgwood Benn to the joys and benefits of workers' control, and the statement by Mr. Len Murray of the T.U.C. last September to the effect that "Shifts in both ownership and control are a necessary prerequisite for a Socialist society, and we must aim to make cumulative progress in both areas gradually extending the range of public ownership and at the same time shifting control from capital to labour in both public and private enterprises... Party Board representation will be a major step—and an essential step—in this direction." That is a clear enough warning of what the majority report is advocating and I have been asked to explain in this article how it would affect GKN.

My thirty years in manufacturing industry has convinced me that decision-making at Board level, besides being the most important of executive activities, is also the most sophisticated, the most complex and the most difficult. Particularly in this context, I believe profoundly in meritocracy. The top Board of directors, the apex of management team, is the place for the most able, the most professional and the most appropriately experienced individuals in the company.

On the basis of our group's results and inherent strength in the extremely difficult economic climate created by successive Governments, it seems fair to say that the GKN Board has performed well. The majority report proposals would require that Board to be reconstructed. A significant number of the existing team would have to leave the Board. This would entail, apart from gross and wholly unjustifiable unfairness to individuals, a serious loss of mature judgment, wide experience, specialist knowledge and professional skill, which is essential if the Board is to be able to deal competently with the resolution of highly complex commercial and financial problems with which it must grapple.

At every level of the industrial hierarchy, particular skills, all valuable and none of them easy to acquire, are essential. My performance as a toolsetter, if I were called upon to undertake such a task, would be catastrophic. Similarly, I would not expect a time-served toolsetter, suddenly transposed from shop floor to Board room, to be able to contribute effectively to the all-important quality of decision-making. My presence on the shop floor would dilute craft skills; his presence in the Board room would dilute executive skills—and, incidentally, would be likely to introduce sectional interest, which is quite foreign to the established British unitary board of management.

Moreover, at worst, the majority report proposals relating to the election of employees to Boards could be used as a method of infiltration by individuals with a prime interest in damaging the performance of the company—with all the implications and consequences which could follow from misplaced motivation of this type. Such risks and such dilution of skill and commitment are quite unacceptable to my company, and, I am quite certain, to every other company employing 2,000 or more people in the country. There are more effective ways, as the minority report indicates, of increasing the accountability of Boards: if this in fact is generally thought to be desirable, while leaving the existing



Mr. Barrie Heath, chairman of GKN, is one of the three industrialist members of the Bullock Committee of Inquiry on industrial democracy who refused to sign the majority report and instead produced their own minority proposals.

role and functions of Boards of directors substantially unchanged. Similarly, there are more effective ways of developing effective employee participation and, by so doing, increasing employee understanding and co-operation.

The GKN group consists of some 250 companies in 29 countries, with a current labour force of 109,000 employees, 74,000 of whom are in the U.K., and 35,000 outside this country—so 30 per cent of the group's employees work outside the U.K. It would be illogical, unjustifiable and manifestly unfair for the investment and other interests of 35,000 employees (to be increased to 52,000 if the GKN bid for Sachs AG of Germany is successful) in 28 countries outside the U.K. to be influenced by inexperienced Board members whose own interests would almost certainly be short term and parochial. This is a second major GKN objection to the majority report, particularly as the interests of minority shareholders in subsidiary companies overseas and all other interested parties—creditors, financial institutions, and Government authorities—also cannot be overlooked.

At this stage of the game, it is not completely clear how many new style "employee directors" subsidiary GKN Boards would have imposed upon them (I qualify the description because all the full-time members of GKN Boards are already employee directors) if the majority report were to be implemented. Seven GKN operating companies in the U.K. employ 2,000 or more; but one of these is split into 49 separate units, the largest single unit consisting of 265 persons on an ICI site—which gives one

registered before April 6, 1974; plus (ii) the expenses borne by your employer, if any; less (iii) the proportion attributable to the (insubstantial) business use. You appear to have misconstrued the 1976 legislation. No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

65 PENSIONS and BENEFITS

Union power row continues

BY ERIC SHORT

DESPITE STRONG opposition from the CBI and the pensions industry, there is as yet no sign that the Government is planning to change its plans for partial trade union control of pension schemes. This issue has been pushed into the background by the Bullock Report on general employee participation but is still causing great concern among employers.

Government proposals, contained in a White Paper published last August, are that members of pension schemes should have the right to 50 per cent of all seats on all pension fund Boards, including the Board of trustees and that the right of nomination of the representative should be vested solely with the recognised independent trade unions representing the members.

The Government expressed its intention of introducing legislation to implement these proposals early in what is now the current session of Parliament. No mention of this was made in the Queen's speech. But it is still the Government's intention to introduce legislation as soon as Parliamentary time permits, according to a Parliamentary answer given by Mr. Stanley Orme, the Minister responsible for pensions three weeks ago. At that time he also reaffirmed the Government's intention to give recognised independent trade unions the right to nominate 50 per cent of pension fund trustees.

Hostility

It is the union nomination that has aroused the hostility of the CBI and the pensions industry. Most people are agreed, as they are in the broad Bullock debate, that member participation is not only necessary but would be beneficial for pension schemes. The argument is over how those members are chosen and the right to representation of non-union employees.

The Government has been consulting all interested people and organisations on their views about the pension proposals. Mr. David Ennals, the Secretary of State for Social Services, has stressed that there are a number of details about member participation still to be discussed and he could give no indication as to when the consultation would be concluded. The CBI has made no attempt to hide its total opposition to

almost every aspect of the Government's plan. It objects to there being any legislation at all, let alone total trade union involvement to the exclusion of all else. It is in favour of member participation through natural evolution and is prepared to fight any other method. Up to now the pensions industry has been rather fragmented in its organisation and in particular there has been no central organisation for the collection and collation of statistics. Consequently various opposing statements have been made concerning the progress towards member participation. The CBI has undertaken to find out exactly what its 100 largest

While public attention has been concentrated on the Bullock issue, a potentially even more bitter battle is simmering over the Government's plans for trade union influence in pension schemes

members have done in this direction. Once it has the information, it intends to produce, in co-operation with the National Association of Pension Funds and other pension organisations, a voluntary code of practice on member participation.

From preliminary returns the CBI believes that a considerable degree of member participation already exists but in a wide variety of forms. Only to be expected where development has occurred naturally. This point has worried many trade unionists in companies which have established their own system of member representation and appointment. They feel that the proposals will thrust on them a system of control from their union headquarters that is not necessary and which they do not want. The Government and the TUC have been at great pains to assure them that the legislation will not disturb existing procedures which are acceptable to the trade unions. But until the legislation is published, members will be left in the dark as to what the trade unions' power really will be. The Opposition and the pensions industry in general have

Reluctant

The Government and the TUC seem reluctant however to admit that non-union employees are any more than a small minority despite a National Association of Pension Funds' survey which shows that over 50 per cent of scheme members in the companies surveyed did not belong to a trade union.

The pensions industry fears that blanket legislation will bring inter-union disputes into a field which up to now has been free of such troubles. It expects that there will be pressure for various groups of employees to demand the splitting of pension arrangements so that they can control their own particular scheme without interference from other groups of employees. A split between manual, staff and top management schemes within an organisation could occur with further fragmentation following. Such moves would put into reverse the current trend towards one unified scheme, which has advantages for investment and administration.

Meanwhile, the Legal and General Assurance Society, Britain's largest pensions company, recently reported that many employers were reluctant to enter into negotiations over the future of pension provision simply because of the uncertainty over employee representation. Since it has a vested interest in employers making up their minds quickly about pension provision the Legal and General suggested that the question of participation should be shelved until 1978 so that employers can concentrate on more immediate pensions problems: otherwise the real purpose of pension schemes—to provide a good level of benefits at retirement or on death in service—will be lost in the ensuing political battle. The Government, however, seems unlikely to adopt such a course.

BUSINESS PROBLEMS

BY OUR LEGAL STAFF

Company car use

I have the use of a company car which I do not use much for the company's business. As a condition of getting it I had to forgo £300 from an increase for which I was due. According to my reading of the Finance Act, I should be able to offset this sum against the benefit in kind of the use of the car, which is

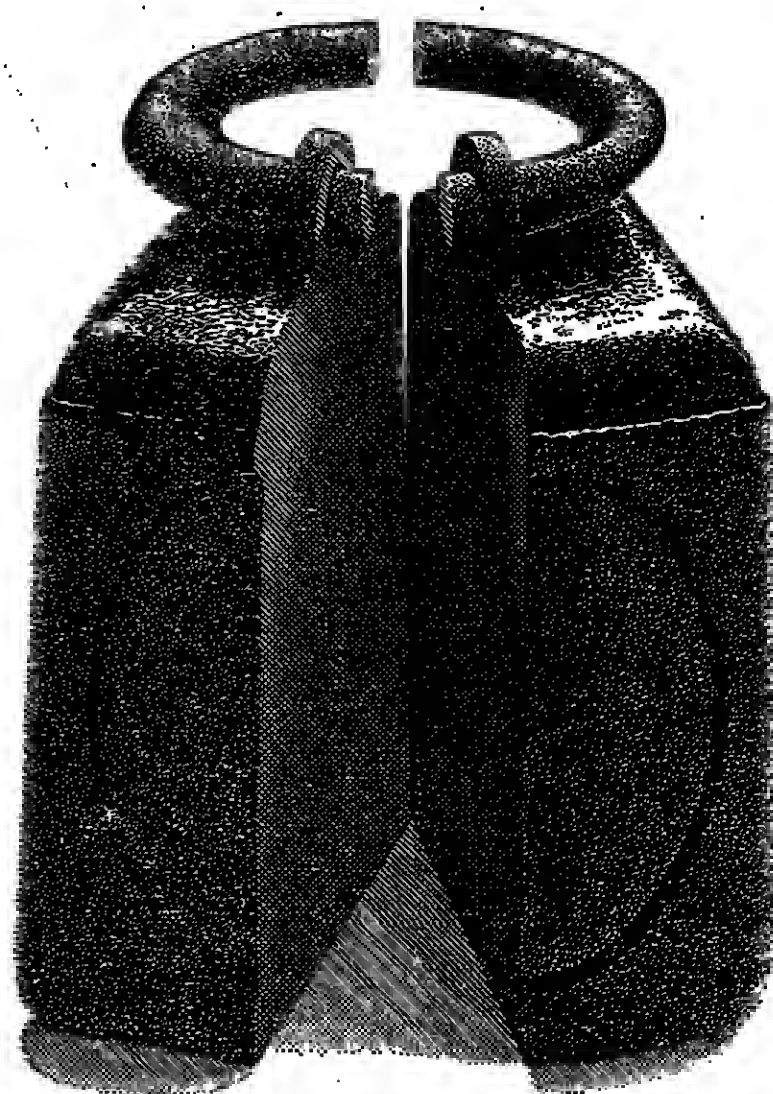
a sum of the same order. Could I have my opinion? From what you say, the net taxable benefit for 1977-78 will be at least £300, in accordance with the decision in Heaton (Inspector of Taxes) v. Bell in 1968 (46TC211).

Subject to that £300 minimum, the benefit under section 61 of the Finance Act 1976 (as applied by sections 62(1)(b) and 63(5)(b)) will be: (i) 20 per cent of the car's original market value—or 10 per cent if it was first

registered before April 6, 1974; plus (ii) the expenses borne by your employer, if any; less (iii) the proportion attributable to the (insubstantial) business use. You appear to have misconstrued the 1976 legislation.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

With the Gasco of the Industrial Relations Act still fresh in our minds, one would have thought that Governments of all colours would have learned a basic lesson—that good industrial relations cannot be created by legislation, least if all when there is no consensus in the trade union movement or any other element in our society



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BY ADRIAN HAMILTON

Observer

INDUSTRIAL STRATEGY: The NEB in action

A selective approach to computers

BY CHRISTOPHER LORENZ, Electronics Correspondent

THE NATIONAL Enterprise Board is breaking new ground with a plan to link a number of computer companies in a subsidiary aimed at export markets. In exchange for putting substantial capital at the subsidiary's disposal, the NEB intends to take shareholdings in each of these companies. There are several reasons for attaching great importance to this plan, which initially concerns a few selected software houses, but could subsequently include some minicomputer makers as well.

It marks the first time that the NEB has taken a view about a whole industrial sector, and formulated a plan for it. Secondly, instead of responding to approaches from companies (sometimes, though not always, companies in trouble), the NEB has taken the initiative in identifying the leaders or potential leaders in the sector and offers them support on a highly selective basis. This has obvious implications for NEB activities in other sectors which may be regarded by the Government, or by the NEB itself, as key ones.

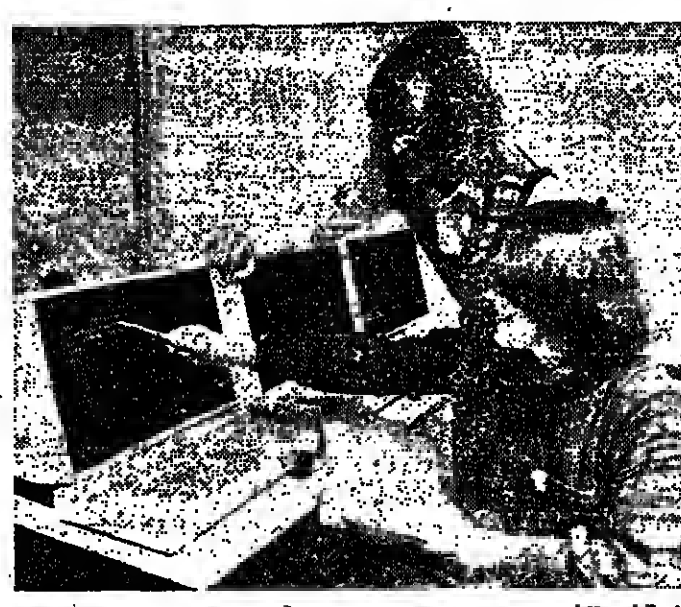
Third, the plan represents a significant broadening of public sector support for the computer industry.

For the last nine years, one company, ICL, has received almost all the Government's support to the industry, in terms both of money and of preferential orders for equipment. Sustained lobbying on several fronts plus the example of broad new state support schemes in France, Germany, and Japan—seems gradually to have convinced the Government that

more should be done for those producing minicomputers, peripherals, electronic components, as well as the providers of services. Up to now the Government's approach to these inter-related sectors has been almost entirely piecemeal, such as the abortive attempt several years ago to link the minicomputer activities of Ferranti, Computer Technology (CTL), and possibly GEC. This scheme has now been revived in the NEDC working party discussions.

Since early last year, the Government has been conducting a series of internal reviews of all its computer industry support policies. But it is likely to be spring, at the earliest, before any of them result in substantial changes or innovations. As with software, the NEB may be able to move more quickly than the Government with a new initiative in minicomputers, peripherals (including terminals) and components. This is not so much because the NEB already has subsidiaries in each field (Ferranti and Data Recording Instrument) as because it could find a winning formula with its new subsidiary: a combination of co-ordination (especially overseas) with minimum loss of independence for individual company managements. The latter is a key consideration for the software houses, many of which have hundreds of employee-shareholders who are intent on maintaining independence.

The basic outline of the NEB's strategy, announced yesterday, involves the establishment of a new subsidiary, INSAC Data Systems, which



Programme checkers at work.

will include representatives of the NEB and of companies in which it has shareholdings. This could include Ferranti and Data Recording Instrument at a later stage, but is initially intended to focus on software companies, an entirely new sector for the NEB.

It remains to be seen whether the NEB succeeds in wooing more than one or two companies into INSAC. This must be if it is fully to succeed. In exchange for a seat on the INSAC Board, participating companies will be asked to sell the NEB a minority stake in themselves of at least 25 per cent. Though the main aim of the NEB is to enlarge each company's resources to boost their product and market development, it is prepared to buy existing shares if necessary, including those of foreign shareholders. (Several leading software houses are partly or wholly U.S.-owned).

Rather than the NEB alone, it would be INSAC's Board, comprising NEB and company executives which would decide the extent of inter-company specialisation in product development. The same would apply to joint or specialised marketing overseas, in order to avoid conflicts with existing company positions (including their relationships with European companies), INSAC's first moves, would probably be in new markets.

It is clear, however, that the NEB wants to move as rapidly as possible towards harnessing the skills of software and hardware (or "systems") companies to a much greater extent than anyone in the British industry apart from ICL has

tough international competition. About 10 per cent of its £90m turnover last year was exported, and this excludes the billings of overseas subsidiaries, putting it ahead of the much more centralised French industry, whose structure and performance are often held up as an example for the British to follow. Some companies, such as SPL (a subsidiary of Simon Engineering) and Logica (partly U.S.-owned), have overseas ratios of over 45 per cent.

The most important new element behind the growing importance of software is the arrival in the past few years of a new generation of minicomputers and of the microcomputers. The first compressed into a small box, the second on to a few thumbnail-sized chips, the processing power which occupied several large cabinets a decade ago, and a whole room less than ten years earlier. Not only has this trend cut the cost of computing, but it has attracted all sorts of organisations which used to think of electronic data processing as something far too complex or expensive for them.

Mr. Alex d'Agapayeff, chairman of Computer Analysis and Programmes, one of the top companies, says this development has boosted demand for all types of software, both tailored for special systems and, a novelty—mass-produced for general applications. "In the past we were a Savile Row. Now we have to become a Marks and Spencer as well," he says. He sees the European software industry in a much better position to exploit the microprocessor in world markets than the would-be manufacturers of the processor itself. But only about £700,000 has been spent since 1972 (in non-indexed prices), against over £40m for ICL in direct development aid (for both hardware and software). Mr. Alan Benjamin, director-general of the Computing Services Association (CSA), complains that this money is taxed, and that far too few of the contracts under various schemes are given, as in France and the U.S., on the basis of 100 per cent funding for complete products (including a small profit margin). Instead, support is generally given on a shared (50-50) basis, for research and development, with the software house bearing most of the risk.

The software industry has been pressing the Government to give more public sector work to software companies in order to build up their expertise, just as the Government does for ICL in the case of large computer systems.

Other proposals include Government support of work by the services sector on software aid marketing for the handful of minicomputer companies, some of whom allege that Government help to the software houses is indirectly promoting the sale of foreign (mainly U.S.) mini-computers. The software sector would reply that the current range of British minis are unsuitable or not modern enough to be competitive. And so one is left again with the related need for NEB or Government support of new investment by the minicomputer makers.

Letters to the Editor

Industrial democracy

From Mrs. H. Derrick.

Sir—Many people would welcome the Bullock proposals if trade union leaders had ever given any indication that they knew how to run a business. The expenses are met by the members' contributions, is a very different matter from actually making money in a highly technical, complex and competitive commercial undertaking.

If the unions would demonstrate their expertise by buying a business out of their not inconsiderable funds and showing that they could manage it profitably and democratically, the public would have more confidence in them and at the same time a valuable training ground for prospective trade union directors in the private sector would thus be made available.

As things are, the prospect of a business being run by a union is daunting to everyone involved and will result, I suspect, in the exit of skilled entrepreneurs to more rewarding and less demanding fields, for example, in sport, entertainment and service industries, reduced investment, particularly from overseas, less motivation for managers and non-union workers and, inevitably, more emigration of skilled and qualified men. One possibly good result is that we shall, before long, become once more a nation of small businesses.

Mrs. H. M. Derrick.
The Change,
Ranchwick,
Stroud, Gloucestershire.

within six months attains an increased force of 2,000 minimum bodies—I assume the existing board members appointed by the shareholders will be reduced (sacked) to make way for X + Y union members and others).

How will those companies be affected that employ considerable overseas staffs (whether indigenous or imported) within their operating companies in various countries other than the U.K.? These countries will have large private enterprises different to those prevailing in the U.K.

Many multi-national companies have subsidiaries/offshoots that are not registered in the U.K. Some are wholly-owned, others in various percentages in either majority or minority holdings. Virtually without exception these overseas companies have indigenous members in the boardrooms. Who is going to give the old "heave-ho" to make room for our trade union entrepreneurs?

With trade union members and also runs on the boards of large private enterprise companies, whose activities throughout the world are vital to our economic survival, how can these companies safeguard "trade secrets" and be certain of eliminating the possibility of industrial espionage?

From the foregoing, I would conclude that "claims for unfair dismissals" and "golden handshakes" is going to be the "name of the game."

Vic Gibson,
Middlefield Lane,
Kris Swanton, Pontefract.

True debt interest

From Mr. J. Mottram.

Sir—With reference to your summary of the White Paper on Public Expenditure (January 28), I am amazed that the narrowest definition of debt interest means that the interest so excluded is also to be left out of the revenue account altogether and put into non-borrowing accounts.

Because of the fallacy of the new definition that interest on deficits and capital are non-revenue expenses, the true figures for public expenditure for the years 1975-76 to 1978-79 should read £57bn., £57bn., £57bn. and £58bn. There is therefore no cut-back in total spending.

The White Paper goes on to say that in the wake of the oil price increase, the Government sought to cushion the impact on living standards. Fair enough, but in 1974 when the price of oil quadrupled the impact was £3bn. in extra expenditure and the borrowing figures of £17bn., £10bn. and £10bn. for the calendar years 1974-76.

Continuing the White Paper says the borrowings (PSBR) are equivalent to 10 per cent of the GDP. Now the gross domestic product is an estimate in the minds of economists. What the White Paper should have said was that it amounts to 25 per cent of our total revenue. In 1975 and 1976 for every 80p of revenue, we have spent 100p, and that excludes capital expenditure. It is as if the housewife spent more than the total income of the household. The sooner all realise that the financing of the PSBR is already placing an intolerable burden for the future, the better.

In the last quarter of 1976, the issue of government paper amounted to no less than the astronomical figure of £7bn. and the interest is—guess what—£1bn.

The true debt interest burden alone will in 1977 amount to no less than 15 per cent of the nation's total revenue.

J. Mottram,
11, Betchworth Lane,
Northwood, Middlesex.

U.K. nuclear policy

From Mr. A. M. Wood.

Sir—Recent nuclear power reports by David Fishlock (Jan. 18 and 24), refer to the very limited opportunities for Britain in exporting her advanced gas-cooled reactor technology. They seem to assume that our chances of exporting a light water reactor technology would be infinitely better. But I do not think this is true.

Because of a slowing of electricity demand in developed countries, fuel savings by the consumers, increasing costs for nuclear energy and greater competition from alternative energy sources, I believe that the world-wide interest in LWR technology is unlikely to exceed 30 GW/yr.

I calculate that the major world nuclear power plant builders (U.S., Germany, Japan, France, Sweden, etc.) will have a combined LWR capacity of at least 45 GW/yr. In addition countries with significant nuclear development plans such as Spain and Brazil have declared their intention to build their own reactors.

There is therefore considerable overcapacity for LWR production, and the chances of Britain being successful against suppliers (particularly since we start from scratch with no special design/safety advantages such as Kraftwerk Union) are very slim.

We have already missed the LWR bandwagon and this might not be such a bad thing in view of its safety and maintenance problems and a worsening of its competitive position.

But have we really explored all the possibilities of exploiting and marketing the unique advantages of our AGR technology? That is, safety, reliability, low operating costs. Since one of the objections to AGR seems to be the difficulty of engineering it outside the U.K., what about building it as a floating turnkey project within the U.K., to be sold or leased abroad and then towed to a coastal site. This might get round some of the

British Rail plans

From the Editor,
Railway Gazette International.

Sir—Implementing British Rail's plan to withdraw passenger trains from a further 2,500 route-miles would mean a 28 per cent cut in the passenger network, which is now less than 9,000 miles and not 11,200 miles as Ian Hargreaves implied in his article in the Railway Gazette of 29 January.

The Beeching Report of 1963 proposed closing 5,800 out of 12,900 miles open to passengers (39 per cent.), and 3,900 miles (30 per cent.) have actually been closed. Although the mileage now proposed for closure is less, the proportionate reduction in the network is equal to that achieved by the Beeching cuts, but the impact will be far greater because the less-busy lines were the first to go and in 1963 there was still much duplication of routes built by rival companies.

Leaving aside the question of whether the proposed replacement buses will last any longer than was the case in the 1960s, two points must be made. The 2,500 miles must include many routes such as Norwich-Lancaster and Aberdeen-Inverness which

Funding world trade

From Mr. J. Tunner.

Sir—I share Bernard Simon's doubts (Jan. 28) about whether a commission of older statesmen would push the Paris dialogue out of the slough of despond. It would more likely suffer the fate of the Commonwealth Groups of Experts whose timely reports on a new economic order were tragically gathered dust in Government archives.

Mr. Simon, however, dismisses the achievements of the United Nations Conference on Trade and Development, particularly at its conference in Nairobi last May, too lightly. At least on paper UNCTAD 4 committed its member States to a thoroughgoing reform of world trade. Negotiations on possible price and supply agreements for four commodities are under way and talks about 14 other products of importance to developing country producers are planned.

The negotiating conference to set up a \$6bn. common fund to provide finance for these agreements is scheduled for next month and if established the fund could help to bring about a major shift in the balance of international trade in favour of developing countries. But for the hard line taken by the U.S. and Britain, for instance, much more could have been achieved.

Whether UNCTAD 4 has been worth all the effort depends on what was expected of it. For the developing countries it has provided a platform for protest against their poverty, although actual change in the world trading system has been tiny. For the industrial nations it has largely served its function as a safety valve for frustrations which might otherwise have expressed themselves in an organisation of Petroleum Exporting Countries type confrontation.

In March I hope the British Government will support the common fund to establish trade with developing countries and improve their prospects and step playing cat and mouse with the poor nations.

John Tanner,
World Development Movement,
Bedford Chambers,
Covent Garden, W.C.2.

To-day's Events

- GENERAL
- U.K. official reserves for January published by the Treasury.
- National Economic Development Council, under chairmanship of Prime Minister, considers next phase of Government's industrial strategy.
- Mr. Roy Mason, Northern Ireland Secretary, speaks at Foreign Press Association lunch.
- Mr. Robert Croyer, Under-Secretary, Industry, begins three-day tour of Scotland and Ireland (10.15 am Room 18). Nationalised Industries (sub-committee C). Mr. Edward Heath, MP, addresses Youth Charter Towards 2006 conference, Wembley Conference Centre.
- Sir Robert Gillett, Lord Mayor of London, attends Fletcher's Company dinner, Mansion House.
- PARLIAMENTARY BUSINESS
- House of Commons: Scotland and Wales Bill, committee.
- House of Lords: Debate on retirement problems.
- Select Committee: Expenditure (Trade and Industry sub-committee). Subject: The Fishing Industry. Witnesses: Fishermen from Scotland and Ireland, quoted by Andrew Davis, Miriam Fried (violin), Heather Harper (soprano), Benjamin Luxon (baritone). Berg Violin Concerto; Brahms A German Requiem.
- OPERAS
- Crystal Palace, Great Eastern Hotel, E.C. 12. Elton and Robbins, Nottingham, 11. Gleeson (M. J.) (Contractors), North Cheam, 12. Glenmurray Investment Trust, 8. Crosby Square, E.C. 3.45. London Scottish American Trust, 2, St. Mary Axe, E.C. 2.15.
- MUSIC
- Royal Festival Hall, 8 p.m. BBC Symphony Orchestra, BBC Singers and BBC Choral Society, conducted by Andrew Davis. Miriam Fried (violin), Heather Harper (soprano), Benjamin Luxon (baritone). Berg Violin Concerto; Brahms A German Requiem.
- of Iain Hamilton's The Royal Road of the Sun, conducted by David Lloyd-Jones.
- EXHIBITIONS
- Pompeii AD 79 Exhibition, Royal Academy of Arts, Burlington House, Piccadilly, W.1 (until March 18).
- "A Tonic to the Nation": 25th anniversary of Festival of Britain 1951 Exhibition, Victoria and Albert Museum, Exhibition Road, S.W.7 (until April 3).
- Seventy-five Years of British Submarines, National Maritime Museum, Greenwich (until Easter).
- "Unofficial" art from Soviet Union, ICA Galleries, The Mall, S.W.1 (until February 27).
- Jordan Ocean stamps, Gibbons Gallery, 399, Strand, W.C.2 (until February 28).
- Coliseum, 7 p.m. World premiere

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£4	£16633	£30538	£78722	
£8	£33266	£61076	£157444	
£16	£66533	£122152	£314888	
£32	£133066	£244304	£629776	
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BAT Industries opens with £94m. advance

THE COMBINED results of the former Tobacco Securities Trust Company and British-American Tobacco Company, now merged into BAT Industries, show a substantial increase in profits for the year ended September 30, 1976. Turnover improved by £1,375m. to £5,637m.

Stated earnings per 25p share were higher at 51.2p (43.7p), or 46.8p (39.9p) fully diluted. The final dividend is 4.75p net. To former BAT Company members this represents a total for the year of 10.25p (8.25p); to TST members it represents a total 11.7p (11.37p).

The first interim for the year to September 30, 1977, is 3.5p net, against an equivalent first interim in 1976/77 declared by BAT Company of 2.51p.

Tobacco sales increased as a result of a small expansion in volume and higher selling prices, which pushed up operating profits by 30 per cent. In Europe, the main contribution to the increased profits was provided by Germany, by U.K. exports. Elsewhere in Europe, price increases covered rising costs in near static markets and profits advanced.

Brown and Williamson, in the U.S., suffered a slight loss of overall market share and rising costs, absorbed the benefit of the increase in prices.

Southern Cross, in Brazil, substantially increased its volume, turnover and profits. Difficult conditions elsewhere in Latin America and the Caribbean were experienced by U.K. exports.

In Asia, sales and profits improved, mainly due to good results from Malaysia, although profits from Indonesia and Singapore declined.

Sales volume and turnover in Africa improved generally, but profit experience was mixed.

For the retailing activities in the U.S., consumer spending faltered after the first quarter and in real terms sales for the year were only marginally improved. However, Kohl Corporation achieved a real profit improvement. Gimbels and Saks Fifth Avenue together maintained gross margin on sales but this was insufficient to cover all the high costs.

Despite unfavourable trading conditions in the U.K., International Stores achieved a higher trading profit before charging the cost of closing smaller unprofitable stores.

The group's paper manufacturing interests in the U.K. and abroad, and its interests in the U.S., consumer spending faltered after the first quarter and in real terms sales for the year were only marginally improved. However, Kohl Corporation achieved a real profit improvement. Gimbels and Saks Fifth Avenue together maintained gross margin on sales but this was insufficient to cover all the high costs.

After a rise at half-time from 55.35p to 58.80p, pre-tax profit divided to January 31, 1974, of £1,375m. for the year ended September 30, 1976, and £1,172m. for the year ended September 30, 1975.

The first 1977, on the second Preference dividend of the current year shows shares.

The dividends will be paid on February 15 to holders on the register at January 31, 1977, who have not opted for a dividend in cash. The balance to William Press and the sole dividend is 0.5p per share, in accordance with offer (1976/77).

Mr. C. A. McIntosh, chairman of Grange Trust says that it does not at present look as if there will be a quick recovery from the recession affecting many of the world's economies but recent signs of returning confidence have been encouraging.

For the future, the directors intend to pursue their declared policy of trying to combine the growth of earnings with a reasonable measure of capital performance. As always the success of this policy will depend largely on the progress of the world economy as a whole and on events in the U.K. and the U.S. in particular. At home, the prospective benefits of North Sea oil daily assume more significant proportions and if national policy can be demonstrated to permit a proper shift of resources to the productive private sector on a long-term basis, the company's dependence for its prosperity, the directors would consider repatriating a proportion of the company's overseas assets.

In the U.S., the directors are still conscious of the benefits obtained by holders from a wide geographical spread of interests and they will try to maintain a significant overseas content in the portfolio.

As already reported, pre-tax profit for the year to November 30, 1976 advanced from £309,400 to £531,807 and earnings per 25p share from 1.51p to 2.12p.

First Intl. Bancshares leaps 92%

A leap of 92 per cent in net profit from \$11,044 to \$239,550 was produced by First International Bancshares, a London-based bank in the First International Group of Dallas, Texas, for the year to December 30, 1976. At year-end total assets value was \$2.1m.

Mr. Robert H. Stewart, the chairman, reports a high level of fee income from the management of syndicated loans; the earnings from the use of profits from the equity interests taken in connection with projected loans and the sale of loan participations to other banks in the Euro currency market.

The bank, which is about to open its first office outside England in Hong Kong, has specific activities in the energy and shipping sectors, also provides sterling and Euro currency lending transactions related to specific market sectors.

Lothian Trust increase at six months

On income of £31,056 for the six months to December 31, 1976, compared with £25,745, revenue of Lothian Investment Trust advanced from £16,997 to £25,913, subject to tax of £12,009 (£7,000) and included interest received of £5,582 (£4,975).

The interim dividend is lifted from 0.45p to 0.68p net per share, to last year's total of 0.75p net from pre-tax revenue of £33,755.

Net assets per "A" share are 51.2p against 52.1p.

The directors intend to change the company's year end to December 31, 1977. The next report, and accounts will be in respect of the 18 months to the date, and further set of interim figures will be published for the 12 months to June 30, 1977.

They also intend to pay dividends for the 18-month period at an annualised rate not less than that paid for the previous financial year.

Increase for Claverhouse

Gross revenue of Claverhouse Investment Trust has increased to £540,178 against £478,248 for the year 1976.

After interest and expenses of £29,590 (£27,275) net revenue, before tax, emerged at £510,588 compared with £450,963. The tax charge was £19,224 (£16,008).

Net dividend for 1976 is increased to 3.2p per 50p share against 2.75p. Net asset value per share is down from 76.5p to 73.7p.

NEW BUSINESS AT MANULIFE

The Manulife Group, comprising the U.K. division of the Manufacturers Life Insurance Company and the Manufacturers Life Insurance Company (U.K.) issued new business during 1976 with annual premiums of £2,058,725 (£1,884,688) and single premiums of £9,198 (£8,340). These premiums provided sums assured of £76,760 (£68,100) and annual benefits of £20,384 (£17,863). Benefits arose under 11,833 policies (11,243).

BIDS AND DEALS

Golden Hope spells out rejection

The chairman of Golden Hope, Mr. Frank Harper, describes Genting Highlands' £49m. bid for the company as totally inadequate and urges that proposals to merge with London Asiatic and Pataling, and transfer residence to Malaysia are "in the best interests of all shareholders."

Genting Highlands, which together with associates controls 50 per cent of Golden Hope, believes the merger scheme, due for acceptance by shareholders on Monday, February 7, is unfair financially and commercially.

Unable to defeat the present merger proposals, as it did a previous attempt, Golden Hope is offering 96p a share in cash to Golden Hope holders.

Mr. Harper says that the cash offer takes no account of U.K. Capital Gains Tax and points to the fact that the offer is a pre-merger offer, which HME, the newly merged company, is forecasting a dividend of 4.15p gross for the year ended March 31, 1978, worth 1.15p for each existing GH share—an increase of 115 per cent on the last payment.

Asset value of GH will be increased from £1.08m. to £1.2m. under the merger, adjusted for up-to-date valuations and Genting's argument that GH is a better value for shareholders than the other two has already been taken into account by the merger terms, says Mr. Harper.

Mr. Harper claims that Genting has made "unjustified" demands "about the cross-holdings held by Harrison and Crossfield and its associates—they hold almost a third of GH—and in discharging their responsibilities as both substantial shareholders and managing agents."

City opinion is divided on the best way to evaluate GH shares in the light of the merger and the cash offer from Genting. On one view, the offer is a look at HME's forecast dividend of 4.15p gross and by applying a yield basis varying from 7 per cent to 10 per cent, arrive at values for Golden Hope of between 71p and 106p, compared with the cash offer of 96p and a price for GH in the market of 91p.

Those who on the other hand regard this as a speculative exercise look instead at the market prices of London Asiatic and Pataling, net of the proposed special dividends recently announced. This would give a value to HME of around 44p, implying a price for GH of 66p.

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price for GH in the market

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NAME _____ ADDRESS _____

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MINING NEWS

Pancontinental still sits and frets

BY KENNETH MARSTON, MINING EDITOR

AUSTRALIA'S Pancontinental Mining, with its U.S. partner Getty Oil, is sitting on one of the world's richest deposits of uranium, remains frustrated by the lack of any Government policy "Down-Under" on uranium mining and export.

So while uranium producers in other parts of the world are eagerly snapping up valuable export contracts, Pancontinental can only repeat in its latest quarterly report that construction work at its Jabuluka mining project in the Northern Territory still awaits Government approval. Meanwhile, a draft environmental impact statement has been filed with the Ranger environmental inquiry.

Pancontinental says that it has decided to allow its interests to lapse in the Licence 13 area of Ocean Resources' uranium prospect. The latter company's 130 area is also being explored by Pancontinental under a joint venture deal.

Of other exploration, no further work is to be done in the Licence 532 area where Pancontinental is partnered with Boku Minerals and Western Nuclear Australia.

In Canada, favourable geological formations with potential for uranium mineralisation have been found in the Pappaswasi area of central Quebec. Pancontinental is linked here with Combelec and James Bay Development.

Pancontinental's chairman, Mr. Tony Grey, says that the company will not defend itself against the claim "completely without merit" - which has been brought against it in the U.S. by Westinghouse Electric. Legal advice is that U.S. courts have no jurisdiction over Pancontinental and that no U.S. judgement would be enforceable in Australia.

The company is one of 29 percent and potential uranium producers throughout the world which have been named by Westinghouse in an action in the U.S. district court in Illinois which alleges a conspiracy to effect a rise in the price of uranium and to control the supply of the material.

Westinghouse says that nine of the 12 non-U.S. uranium producers concerned have elected not to respond to the charges against them or to appear in the U.S. court. All nine, including four Australian companies, have been named by the plaintiff.

The non-U.S. groups involved include Anglo American Corporation, Rio Tinto-Zinc and Queensland Mines.

PROFIT AT IRON ORE OF CANADA

Improved efficiency at its concentrate and pellet complexes in Labrador City and Sept-Îles has

allowed Iron Ore Company of Canada to return to the black after two years of losses.

Our Toronto correspondent reports that IOCO had a 1976 net income of \$30m. (£11.42m.), compared with a loss in 1975 of \$700,000 and a loss in 1974 of \$48.4m.

IOCO's two major Canadian shareholders are Hollinger Mines and Labrador Mining and Exploration, while Hanna Mining of the U.S. has a 27.14 per cent. interest.

SHERITT PEERS UNDERGROUND

The Canadian group, Sheritt Gordon, in which Newmont Mining of the U.S. has a 40 per cent. stake, is prepared to change its largest mine from open-pit to underground operation if it can make arrangements for suitable financing in the hope of higher metal prices.

The mine is the Rutan copper-silver development at Leaf Rapids in north Manitoba. But Sheritt states: "Because of the current depressed copper price, financing of this project may not be easy."

The change would be about \$30m. (£17.1m.). Preliminary work has been done but no major expenditure will be incurred until the completion of financing.

Our Toronto correspondent reports that Sheritt's plan is to start underground mining in 1979 and to have it running in tandem with the open-pit operations until 1982. At that stage open-pit mining would cease.

Reserves at Rutan at the beginning of 1976 were put at 43.6m. tons, with 32.7m. tons of that figure being underground, grading a modest 1.42 per cent. copper and 1.17 per cent. zinc.

The first nine months of 1976 Sheritt had net earnings of \$4.8m. (£2.7m.), or 38 cents a share, against \$10.6m., or 83 cents a share, in the same period of 1975. There was a deficit of just over \$1m. in the third quarter but a recovery is expected to be announced with the final figures for the year.

A SETBACK FOR SILVERMINES

Ireland's Silvermines mining and industrial group reports a major setback for the 121 per cent. owned Gannet Offshore Production Services. An accident has occurred during the final acceptance trials of the crane barge chartered by one of Gannet's subsidiaries for the rehabilitation of an Egyptian offshore oilfield.

This was the Gannet group's major contract. The accident has prevented the receipt of income from the contract and

adversely affected Gannet's financial position, it is stated.

Silvermines adds that its total investment in Gannet amounts to \$350,000. Pending further investigation and clarification of Gannet's position it is thought that it may be necessary to provide in full against this investment.

Silvermines fell 5p to 38p yesterday.

OUTPUT DOWN AT GREENVALE

Production from the Greenvale nickel-cobalt project in Queensland, jointly owned by Australia's Metals Exploration and Freeport Minerals of the U.S., continues to be restricted by a modification programme at the ore reduction furnaces and coolers of the Yabulu plant.

Output of contained nickel in the December quarter was 4,020m. kilograms, against 4,330m. kg. in the previous quarter. Contained nickel in sulphide output was 418,000 kg. against 562,000 kg. while cobalt in sulphide production was 164,000 kg. against 223,000 kg.

In the year to last June, Metals Exploration had a loss of \$3.34m. (£1.4m.) partly because of the failure to make an operating profit at Greenvale. But the company said that it had benefited during the last quarter, although the loss was increased because of the amounts repayable in foreign currency. Metals Exploration, a survivor from the Polden boom era, were 25p yesterday.

UNIONS SEEKING PILBARA PEACE

The president of the Australian Council of Unions, Mr. Bob Hawke, has said in Perth that he had assured Japanese iron ore mills that efforts will be made to cut the number of strikes in the Pilbara iron ore producing region of Western Australia.

He told a Press conference on returning from Japan that his plans to reorganise industrial relations in the region will ensure continuity of iron ore supplies to Japanese markets.

Mr. Hawke added that Mr. Saburo Tanabe, senior managing director of Nippon Steel, told him that Australia's proportion of iron ore supplies will at least be maintained, and possibly increased, if industrial relations in the Pilbara are suitably restructured.

ROUND-UP

The Quebec Government's mining company, Souqem, is to develop major salt deposits in the Magdalen Islands, an isolated group in the Gulf of St. Lawrence. The total investment necessary for the project, including port facilities, will be about \$50m. (£23.5m.). The mine could produce 800,000 tons of salt a year from 1980.

In British Columbia, the Flaxey Development subsidiary, Canex Placer, and Equity Mining, have decided to delay development of the Sam Gossly copper-silver property near Houston. Talks are being held on a revised schedule. Equity owns the property and Canex Placer has agreed to develop it.

Vancouver's Colby Mines states that Union Oil of Canada has agreed to take part in the exploration and development of a zinc-lead-silver property at Kingfisher Creek, British Columbia. No details have been announced. Colby diamond drilled the property with good results last year.

South Africa's Leslie Gold Mines is applying for state aid, and if this is granted, it may be possible to carry out additional development in the mine's western sector. Boreholes indicate that the area may contain payable reef, but the actual grade of ore cannot be determined until the sector is developed.

Willis Faber Pension plan

Willis Faber Advisory Services, the employee benefit division of the insurance brokerage group Willis Faber, has launched a new retirement plan. The plan is designed to provide employers with simple means of supplementing the benefits provided under the new state pension scheme due to come into operation in April 1978. The new plan from Willis Faber provides a cash sum payable either at retirement or on death while still working. Benefits that are not provided in the new state scheme which eschews lump sum payments.

If the member dies while working, the benefit would be 150 per cent. of his earnings, while at retirement the payment would be 3 per cent. of "final earnings" for each year of membership. In each case the payment would be completely tax-free. If the employee leaves service before retirement, then providing he or she has at least five years' membership a payment would be made at ultimate retirement of 3 per cent. of "final earnings" for each year of service.

The cost of the scheme is borne completely by the employer. In the first year the contributions, which are completely tax deductible, would be 4 per cent. of the taxable earnings of eligible employees (as shown on the P40) for the previous year, irrespective of sex or age distribution of those employees. Thereafter contributions would be adjusted according to the experience of the company concerned. But the initial rate has been pitched rather high so in most cases it should result in a reduction. The plan is underwritten and administered by a Scottish Provident Institution.

Reed recovers to £54m. after nine months

THE RECOVERY trend at Reed International has continued in the third quarter of 1976-77 with pre-tax profits rising from \$9m. to \$19.5m. This takes the total for the first nine months ended December 31, 1976, up from \$26.5m. to \$54m., at which level it exceeds the 1975-76 figure by the record achieved in 1974-75.

Operating profit in the third quarter was almost doubled from \$13.4m. to \$29.3m. - U.K. £13.1m. (£17.8m.) and overseas £16.2m. (£17.8m.) - bringing the total for the nine months to \$54m., against \$44.5m. with the U.K. content rising from \$20.8m. to \$42.2m. and overseas from \$23.5m. to \$42.5m.

Third quarter sales were up from \$277.6m. to \$299.1m. - U.K. and overseas £277.6m. (£170.2m.) and overseas £106.7m. (£107.4m.). The nine-month total was £1,070m. compared with £772.6m.

After all charges the attributable profit in the third quarter amounted to \$23.8m. (£17.8m.), giving earnings per £1 share of 5p against 4.1p. The nine-month totals were up from £12.2m. to £19.7m. and from 15p to 19.5p respectively.

	1975	1976
Sales	772.6	1070.0
U.K. and Overseas	772.6	1070.0
Operating profit	13.4	29.3
Overseas	13.4	29.3
Net interest payable	2.5	2.5
Profit before tax	10.9	26.8
U.K.	10.9	26.8
Overseas	10.9	26.8
Net profit	10.9	26.8
U.K.	10.9	26.8
Overseas	10.9	26.8
Operating profit	13.4	29.3
Overseas	13.4	29.3

Statement Page 20 See Lex

Calcutta Electric

Revenue up

Units sold by the Calcutta Electric Supply Corporation in the half year ended September 30, 1976, increased from 1.43bn. to 1.49bn. and gross revenue rose to £25.4m. from £20.38m.

Mr. S. Chaudhuri, the chairman, explains that the 4 per cent. increase in sales is due to the progressive improvement in the availability of power for sale while the increase in gross revenue is attributable to the comprehensive revision of the company's rates to consumers effective during 1975-76.

Both figures are in line with forecasts made for the current year and commensurate with the increase in operating costs during the year.

On the basis of half year figures the chairman says it is estimated that the clear profit for the full year will be closely in line with the Reasonable Return. In the circumstances the directors feel justified in lifting the interim dividend from 6p to 6.25p - the total for 1975-76 was 12p.

Referring to the group's request for external financial assistance the chairman says that, in agreeing to grant such assistance these institutions have provided an option to convert debentures/Term loans to Ordinary stock. To enable compliance with this it will be necessary to increase the authorised Ordinary capital.

The chairman plans to retire from the Board with effect from February 4.

Outlook at F. W. Evans

With orders on hand showing a marked increase, Mr. F. W. Evans, chairman of Frederick W. Evans, considers that foreseeable trading is healthy and views the future with confidence. The group got off to a good start in the first two months of the current year with record output being achieved in November.

In the year ended September 30, 1976, group pre-tax profit increased from £114,800 to £190,500, on a turnover of £121m. against £1m.

During the year the group moved its fully automated capstan shop to new premises where there is more space and a better layout to improve productivity. This allows space occupied by the shop to be used for a considerable extension to the compression moulding shops. It is here that the group is concentrated.

continue in their present appointment.

Simonside to go into liquidation

Simonside Investment, which holds 96,190 shares in London a Scottish Marine, has changed its mind about future policy and opted to go into voluntary liquidation.

At September 30 Mrs. D. Lamplugh held a 10.37 per cent. stake in the company and Mrs. B. M. Riley 11.62 per cent. Meeting, Birmingham, February 23, at 12.15 p.m.

Heywood Williams recovery

IN THE six months to October 31, 1976, Heywood Williams Group has continued its recovery. After losses of \$630,000 in the first half and \$295,000 in the second half of the last full year a pre-tax profit of \$9,000 is now reported.

The directors say that the bankers are continuing to support the company and they are certain that decisions now made will restore the group to profitability in the year to April 1978. However, the second half of the current year is not likely to show any significant profit but planned asset sales will give the group a better start for next year.

The Board says that, in view of the substantial capital gains losses brought forward and relatively small dollar premium content, it is hoped that the two value should be within per cent. of net asset value.

The shares of Simonside, which in common with other investment trusts have been standing at substantial discount to net asset value, jumped 11p to 71p on the news.

D. & J. Fowle applies for de-listing

The directors of D. and J. Fowle state that trading since the close of the last year has continued to be profitable and in line with budget. They expect to hit the gains already shown and hit the year ahead of 1975/76.

Negotiations have been finalised for the purchase of the shareholders' interest in O'Connell Computing Services.

The directors have applied for the de-listing of company's shares in London with effect from January 1977.

Bp BENJAMIN PRIEST & SONS (HOLDINGS) LIMITED Interim Report

The Directors deeply regret to advise of the recent death at the age of 63, of Mr. Cecil William Jackson, Chairman since 1954.

The unaudited results for the half year to 1st October 1976, together with those for the comparative period in 1975 and the year ending 26th March 1976, are as follows:

	Half Year to September 1976	Year to March 1976
Sales to third parties	4,283	4,173
Group Profit before Taxation	432	344
Less Corporation Tax at 52%	225	179
Group Profit after Taxation	207	165

*For comparative purposes only. I am pleased to tell you that the signs of improvement in demand referred to in the last Annual Report continued to develop. As a result, not only is sales turnover for the half year slightly above that for the same period in the previous year, but the continued close control over costs allowed profit before taxation to be significantly improved, by 26% to £432,000.

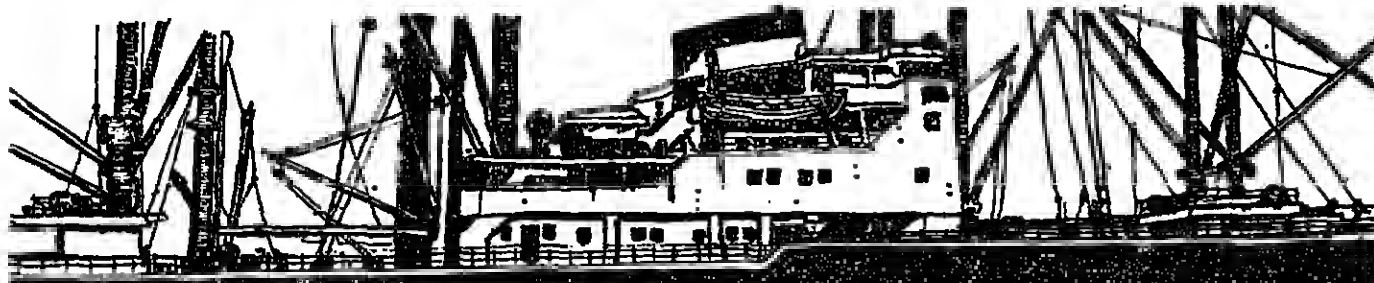
Although order books continue to be short and the pressure of activities are experiencing a resurgence of industrial unrest at some of their major customers, there has recently been an encouraging return of demand in the material handling division. Both fasteners and stainless steel have progressed steadily and I am not optimistic about the second half of the year, but the longer term outlook will remain uncertain until there is a general industrial upturn.

Your directors have, therefore, decided to increase the level of the dividend this year by the maximum 10% allowable. An interim dividend of 1.083881p actual per share (equivalent to approximately 6.87% on the former gross basis) will therefore, be paid on Friday 25th March 1977.

The total cost of the actual dividend will be £40,700 (1975 = £35,097).

C. F. Wardle, Chairman

A FINANCIAL TIMES SURVEY



NIGERIA

The Financial Times is to publish a major survey on Nigeria on February 14, 1977.

Nigeria, though not the largest country in Africa, is the most heavily populated. This, together with the fact that since independence in 1960, Nigeria has turned the economy's emphasis from being heavily dependent on agriculture, to a growth economy based on petroleum and associated products, makes the country one of the most influential in Africa.

Since the 1950s, output in the industrial sector has risen steadily, making the Nigerian market of increasing importance to Europe and the rest of the world. Although the U.K. is still the main supplier and customer, Nigeria is moving away from its former dependence upon Britain.

All these points and many others will be examined and covered in depth in the survey under the following headings:-

- Introduction: a political and economic review.
- The moves towards defining a new constitution, and the role of the new states.
- The role of the Army.
- Foreign policy.
- Education—the spread of universal primary schooling.
- The economy.
- Plans for economic development.
- The role of the foreign investor in Nigeria and indigenisation.
- Business in Nigeria.
- The oil industry.
- Banking and financial services.
- Port congestion and transport.
- Trade.
- Industry.
- Profiles of selected companies and opportunities for businessmen.
- Agriculture.
- Trade unions.

The proposed publication date of the survey is February 14. For further information about this survey, copy date and advertising rates contact:-

Helen Lees, Deputy Overseas Advertisement Manager—Africa.
Financial Times, Bracken House, 10, Cannon Street, London EC4A 4BY.
Tel: 01-248 8000 Ext. 238. Telex: 834533 A/B FINTIMES LON.

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

The content and publication dates of surveys in the Financial Times are subject to change at the discretion of the Editor

Ellis & Everard

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Index-linked share offer by Svenska Handelsbanken

BY WILLIAM DUFFLORCE

STOCKHOLM, Feb. 1.

SVENSKA HANDELSBANKEN, one of Sweden's two largest private commercial banks, today announced a new issue of index-linked shares. The bank reported a 15 per cent. increase in 1976 earnings and simultaneously announced that it was making a new issue of so-called index-linked shares. As far as the management is aware, this will be the first example in any country in which a shareholder's dividend has been linked with consumer prices.

Mr. Jan Wallander, the managing director, said the bank was practising the principle that shareholders should receive a return on their investment which kept pace with the decline in the value of money.

The Handelsbanken Board is proposing to make a bonus issue of one-for-seven accompanied by a new issue of one index-linked share for every seven at a price of 1.325 compared with a par value of Kr.100 and today's market price of Kr.264. The two issues will raise the share capital to Kr.630m.

The index-linked shares will rank after the preference shares but before the Ordinary shares as regards dividend entitlement. They will receive a fixed dividend of Kr.6.25 or 5 per cent. of the issue price, whichever is the higher, plus a dividend of 10 per cent. of the increase in the Swedish consumer price index over the 1976/77 business year.

Mr. Wallander described the new shares as "gilt-edged" pointing out that the dividend would be in danger only when the Bank could not pay anything on its Ordinary shares, a situation which had never arisen in the Bank's 106-year history.

The index-linked shares would offer a better return than that so far achieved on the Ordinary shares, Mr. Wallander said. Although Handelsbanken had increased its dividend faster than any other Swedish commercial bank in the 1971-76 period, the dividend had not kept pace with price increases. During that period the Bank's dividend had risen on average by 7.5 per cent. a year against an average of 8.5 per cent. on the consumer price index.

Mr. Wallander maintained that the price of the index-linked shares should also be expected to rise in line with the increase in the consumer price index, thus offering a means of protecting savings against inflation. The index-linked shares should be particularly interesting for institutions, such as pension funds, whose payments rise along with inflation.

In November Svenska-Handelsbanken announced another innovation, a "share account" for depositors from which funds are transferred monthly into holdings in a share fund duplicating the full spread of the Stockholm stock market. This scheme was based on the index funds operated by some American banks.

Handelsbanken's preliminary report for 1976 shows earnings of Kr.548m. (575.3m.) against Kr.474m. in the previous year. The net return on equity is approximately the same as in 1975 or just under 14 per cent., some 2 per cent. above the average for Swedish commercial banks.

Income grew by just under 17 per cent. to Kr.1.2bn. while costs increased by 18 per cent. to Kr.669m. The net profit is given as Kr.115m. compared with Kr.100m. If the Bank's subsidiaries are included, group earnings reach Kr.803m., an increase of Kr.89m. or 17 per cent. over 1975. Adjusted earnings per share are given as Kr.81 against Kr.52.

The board is proposing to raise the dividend on the Ordinary shares by Kr.1.50 to Kr.17.50.

Speedy appointment at Swedish Match

By Our Own Correspondent

STOCKHOLM, Feb. 1.

Swedish Match, the object of a takeover bid by the Kemnord chemicals company, has appointed a new managing director, Mr. Gunnar Dahlsten, 48, former managing director of the Malmberg company, manufacturers of disposable hygiene products. He will replace the retiring managing director, Mr. Rolf Deino, on June 1.

The appointment has been announced more quickly than expected and illustrates the determination of the Swedish Board to resist the Kemnord offer.

Mr. Dahlsten built up Malmberg to the ten years to 1975 from a domestic company with sales of Kr.239m. and earnings of Kr.1.9m. into an international concern with a turnover of over Kr.1bn. and earnings of Kr.28m. In 1975 Malmberg was taken over by Svenska Cellulose (SCA), the pulp and paper group.

Mr. Deino will remain with Swedish Match as a consultant for special assignments.

Union breakthrough for Alfasud plant

BY PAUL BETTS

ROME, Feb. 1.

A MAJOR breakthrough in the troubled relations of the State-run Alfasud car manufacturing plant at Pomigliano, South of Naples, has been made with the decision of the unions to formulate a code of conduct to improve plant productivity.

Since it was set up at a total cost of Lire 600m. (243m.), Alfasud—the Southern subsidiary of Alfa Romeo which is now run by the State (Iri) group—has been plagued by labour unrest and low productivity. It has consistently reported heavy losses and according to its last balance sheet the company lost 1,500m. (about £40m.) in 1975 alone.

Daily production at Pomigliano, which was to have reached 1,060 cars a day in 1974, has hovered around the 400 mark.

The unions now hope that the new code of conduct will increase production this year to 750 cars a day and eventually reach 1,000 by early next year.

The new code of conduct aims at reducing the large number of wildcat strikes and the widespread absenteeism which has severely hit plant production. In 1975 there was a total of 1,320 unofficial strikes while the rate of absenteeism averaged 18 per cent., reaching peaks of between 30 and 50 per cent. on certain days. In the same year, Alfasud was unable to honour 22,000 orders.

Hennefrin, the unions say, will solve all the company's problems. Meanwhile, Italy's National Association of Motor Manufacturers, structure inside Alfasud, has reported a worrying 60 per cent. fall in orders last month compared with January last year.

Quebec issues hit by selling

By Bernard Simon

CANADIAN DOLLAR stocks were the feature in generally quiet Canadian trading yesterday, following the cut in the Canadian Bank rate from 8 to 7 per cent. Prices in the Canadian dollar sector recovered a point during the morning, shaking off the political worries which have depressed the market for the past few weeks. Afternoon trading was generally dull.

However, Quebec issues remained under heavy selling pressure throughout the day with prices easing by 1-1/2 points.

Although there is little sign of aggressive buying, the yields on several Canadian dollar bonds are now fairly attractive. For instance, Canada Permanent Mortgage Corp 1981 bonds, trading at 100-10-1/2, are yielding almost 8.6 per cent.

In the U.S. dollar sector, turnover was quiet. Market sources report that most trading could be attributed to professional inter-dealing and there was some selling pressure from banks who participated in recent issues but are still unable to place as much paper as they would wish. The feature here was Marmilan Bloedel 1982s, whose price fell to 97-1/2, despite the raising of the coupon last week from 8 1/2 per cent. to 9 per cent.

Prices were mixed, with straight U.S. dollar bonds a fraction easier and floating rate notes slightly firmer reflecting bargain-bunting for quality issues.

Messina's Canadian acquisition

BY RICHARD ROFFE

JOHANNESBURG, Feb. 1.

MESSINA (TRANSVAAL) Development, the South African copper mining and industrial group, which recently sold its TV interests for R7.5m., has acquired a Canadian manufacturer of office equipment for the equivalent of R10m., to be financed by a five-year U.S. dollar loan.

Purchase of the Canadian company, known as Storval, was announced in Johannesburg by Messina's chairman, Commander H. F. P. Grenfell. He said that it is intended to use Storval, whose principal assets are cash and negotiable notes, which comprise 80 per cent. of net asset value, to finance the development of overseas mining interests. Messina is involved in exploration in the Shetland Islands and near Navan in Ireland in an attempt to diversify its mining activities out of Southern Africa, particularly Rhodesia, which accounted for about three-quarters of the group's 41,000 tons of copper output last year.

Storval's acquisition price of R10m. represents a discount of about R1.3m. on its net asset value, and Commander Grenfell said that simultaneously with the purchase, Messina sold the office equipment activities to a Canadian consortium, retaining a 50 per cent. stake in the new operating company.

The commandant said that Messina's industrial and commercial activities, which include manufacture of Datsun "vehicles" (now the top sellers in South Africa in both passenger and commercial ranges) are under pressure. But, eliminating the TV side, their contribution to profits, he said, should nevertheless be greater than last year's, when mining accounted for 47 per cent. of profits and the industrial side for the balance.

Concorde Bank, in which Messina holds a 52 per cent. stake, has been unable to expand as rapidly as it would have chosen because of the credit ceiling in South Africa, but other activities such as the manufacture of containers for Seafair are progressing well and the troubled earthmoving equipment and crane subsidiary, Premier Metal, is expected to make a profit this year.

First International Bancshares, the London-based merchant banking subsidiary of the First International Group of Dallas, reports pre-tax profits up from £81,000 to £125m. for the past year.

Net profits increased from £311,664 to £599,550 and the bank reports that its total assets at the year-end were £116m. against £95m. a year earlier.

In a joint statement the chairman, Mr. Robert H. Stewart III, and the managing director, Mr. Steven L. Davis, comment that the bank during the year enjoyed a high level of fee income from the management of syndicated loans. It earned "useful profits" from several equity interests taken in remuneration with project loans.

The bank also saw "a more profitable use of our balance sheet through the sale of loan participations to other banks in the European currency market."

Formed in August 1973, the bank is a wholly-owned subsidiary of First International Bancshares of Dallas, a bank holding company with interests in the bank including the First National Bank in Dallas.

Profits soar at Porsche

BY ADRIAN DICKS

BONN, Feb. 1.

PORSCHE, the West German high-performance motor manufacturer, announced today a threefold increase in its profits during the business year ended last July 31, and a 71 per cent. increase in turnover.

Production leapt during the calendar year 1976 with the introduction of the new 924 model. Although development costs were greater than expected, the company reported today, profits during the 1976/77 business year rose from DM2.5m. (£602,000), to DM7.5m., allowing DM3.5m. to be transferred to reserves.

Group turnover rose to DM604m. from 1975's DM333m., and Porsche hopes to see it top the DM800m. mark during the current business year. It is not, however, certain whether it can improve its rate of return on sales from the 12 per cent. achieved last year to what it regards as a minimum long-term level of 1.5 per cent.

Porsche, whose shares are held by members of the Porsche and Pech families, decided at its annual meeting yesterday to use accumulated reserves to increase share capital from DM50m. to DM70m. This will apparently be used to help finance a continuing rate of new investment of at least DM50m. a year.

During the current business year, the concern expects to invest about DM75m. from its own resources.

Paper groups in talks

By Michael Van Os

AMSTERDAM, Feb. 1.

THE BOARD of Kon. Nederlandse Papierfabriek (KNP) and Kappa to-night announced they had decided to investigate the possibility of a merger. Such a combination could become a formidable force on the Dutch paper and carton market with annual sales well exceeding the Fls.800m. mark.

KNP, which is based in Maastricht, is the major company which had annual sales of Fls.750m. in the past year in which it managed to have broken even financially despite the great problems besetting the Dutch paper industry.

The board committee report submitted last December, had recommended that present non-members be granted access to the Exchange via payment of a \$13,500 annual fee for electronic access and a \$75,000 fee for three years of physical access.

Mixed results from steel industry

BY OUR NEW YORK STAFF

NEW YORK, Feb. 1.

STEEL COMPANIES, which have been announcing year-end quarterly figures during the last two weeks, have reported mixed results which reflect each company's particular area of concentration.

The industry divides itself rather neatly into two segments—those whose product mix has heavy steel predominating, and those who specialise in light gauge steel.

The heavy steel, used for construction, has caused declines for U.S. Steel and Bethlehem Steel, the two largest steel producers in the country. Allegheny Ludlum Industries, the major specialty steel producer in the U.S., today reported a drop in profit from continuing operations of 52 per cent. for the final quarter and 3.4 per cent. for the year.

National Steel, ranking third domestically, and Inland Steel, ranking sixth, both reported a slight fall in earnings from continuing operations to \$30.7m. or 3.41¢ a share, from \$31.5m. or 3.59¢ a share. Sales climbed however to \$889m., a gain of 23 per cent.

Aside from the reasons given by U.S. and Bethlehem for their profit slides, Allegheny's president Robert Barkley blamed a "record surge of specialty steel imports" for their own problems in what he described as a "most uneven year."

Analysts point toward some indications for the industry, noting first that the tremendously cold weather now being experienced in the eastern half of the U.S. will have an "unsettling" effect on first quarter profits for all the steel companies. With many steel plants located in Ohio, Pennsylvania and Indiana states quite severely affected by the cold and the resultant shortage of natural gas, a drop is predicted for heavy and light steel producers alike.

Beyond that, one analyst suggested that National and Inland would lead the industry in 1977.

National, which announced today that it has entered into negotiations to acquire Revere Copper, not only to diversify, but also to strengthen its position in the rapidly improving aluminium market, said that fourth quarter net was \$15m. or 9 cents a share, up from \$14.4m. or 7.77 cents a share. Sales and operating revenue climbed by 27 per cent. to \$644.4m. from \$503.3m.

Full year results were net income of \$55.7m. or 45¢ a share, up from \$58m. or 5.10¢ a share. Sales and operating revenue for the year were up 7 per cent.

Allegheny Ludlum's fourth quarter profit from continuing operations fell to \$5m. or 48 cents a share, from \$10.3m. or 92¢ a share, for the final quarter. Sales for the final quarter climbed by 25 per cent. to \$264m. from \$185.5m. the year before.

For the full year there was a slight fall in earnings from continuing operations to \$30.7m. or 3.41¢ a share, from \$31.5m. or 3.59¢ a share. Sales climbed however to \$889m., a gain of 23 per cent.

NYSE to consider options membership

The question of whether additional New York Stock Exchange memberships should be created to accommodate the big Board's expected entry into the options market is being considered on Thursday by exchange directors. AP-DJ reports from New York. The discussion is likely to involve the two questions of broader access to the big board and the creation of an options market there.

Until a few weeks ago, both matters were largely separate, although controversial in their own rights. However, the exchange board's decision last month to approve in principle the concept of options trading has raised the question of whether the present 1,366 individual memberships are enough for an options trading programme big board sources said.

At Thursday's session, directors are expected to discuss a board committee report submitted last December, that recommended that present non-members be granted access to the Exchange via payment of a \$13,500 annual fee for electronic access and a \$75,000 fee for three years of physical access.

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Banque Bruxelles Lambert S.A.	Banque de l'Indochine et de Suez		Banque Nationale de Paris
Banque de Neufize, Schlumberger, Mallet	Banque de Paris et des Pays-Bas		Banque Rothschild
Banque de l'Union Européenne	Bayerische Vereinsbank	Berliner Handels- und Frankfurter Bank	
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Morgan Grenfell & Co.		The Nippon Kangyo Kakumaru Securities Co., Ltd.	
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Osakaya Securities Co., Ltd.	Pictet International Ltd.	Pierson, Halding & Pierson N.V.	Rothschild Bank AG
N. M. Rothschild & Sons	Salomon Brothers	Sanyo Securities Co., Ltd.	Scandinavian Bank
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Dean Witter & Co.	Yamaichi International (America), Inc.	Girozentrale	Yamatane Securities Co., Ltd.

January, 1977

State stake in Van Doorne

BY OUR OWN CORRESPONDENT

AMSTERDAM, Feb. 1.

THE DUTCH Government is to take a major interest in the development of Van Doorne's transmissio company in Tilburg. It will contribute Fls.7.5m. and its share of the new capital will be 25 per cent. with the remainder being held by the Van Doorne Automobile VDT.

VDT was founded in May, 1972, to develop and manufacture automatic transmissions initially for private cars and lorries according to a system invented after his retirement by Dr. Hub Van Doorne of the DAF car factories. The system is also suitable for industrial applications, it was added.

The government has decided to inject risk capital into the company rather than furnish a development credit as part of its policy to assist companies which had viable projects but which could not find the funds to risk large investments. The employment aspects for a construction of the company was also a factor.

VDT has been negotiating with a number of car manufacturing companies for some time with both Ford and Fiat frequently mentioned in this respect. The company was in the news some time ago when the Swedish Volvo company, which has a majority stake in the Dutch DAF car manufacturer, tried to prevent VDT by court action from signing agreements with competitors.

Turnover rises at Amfas

By Our Own Correspondent

AMSTERDAM, Feb. 1.

AMFAS, the Rotterdam-based insurance company, said that its 1976 turnover—premium and investment income—had risen by 13 per cent. to about Fls.828m. It had not included in the figure the once-only premiums for short-term individual life assurance which had fallen from Fls.234m. in 1975 to Fls.14m. a development in line with expectations, it was added.

The company confirmed that net profits had risen by about 11 per cent. in the past year in which business had been "favourable". It added ahead of the annual report that premium income life, excluding once-only premiums for short individual life assurances, has shown an increase of 11 per cent. to reach about Fls.333m.

In accident insurance, premium income has risen by 11 per cent. to about Fls.24m., while the total premium income has advanced by 11 per cent. to Fls.617m. in 1976. It had risen by 8 per cent. the year before.

The Amfas statement added that revenue from investments had gone up by 15 per cent. to about Fls.20m. in the past year.

Having already raised its interim dividend by Fls.0.20 to Fls.2, the company had reported a firm-half net profit increase of 11 per cent., and a turnover rise (exclusive) of 9 per cent.

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INTERNATIONAL FINANCIAL AND COMPANY NEWS

Market expects new move on Thyssen-Huette bond

BY PAULINE CLARK

THE RESTORATION of the German domestic bond market for industrial and commercial borrowers should take a further step forward shortly with a bond issue from August Thyssen-Huette.

The company, which is Europe's largest in the steel industry, would be only the second non-Government or non-State enterprise to raise money in this market for more than four years. The first was the major West German stores group, Kaufhof, which was well received two months ago when it raised DM100m in the market for ten years at 7 1/2 per cent with an issue price of 98 1/2.

News of Thyssen's intentions to tap the market for around DM100m first reached the market a couple of weeks ago, but plans for the issue have since been postponed as a result of a bout of market weakness.

Speculation that the bond is imminent has now revived however following an improvement in market conditions since last Thursday. A spokesman for the lead manager, Deutsche Bank, said yesterday that Thyssen would be watching the progress of the bond market for a few days yet to ensure that the issue would be sustained.

With this qualification, next Friday or Monday seem to be likely dates for the launching of the bond with possibly a 7 1/2 per cent coupon at an issue price of 98 1/2.

Like Kaufhof, Thyssen was last seen in the market in 1973 with a DM100m loan for 15 years at 7 1/2 per cent, on an issue price of 98. The forthcoming issue is expected to be for reasons — as one market commentator put it — of "good name and a desire to do something for the market" than a particular need to search out wider borrowing sources. It is also pointed out that DM100m would only represent around one fifth of the group's current investment requirements.

Thyssen is believed to have been considering a domestic bond as long ago as November — at the same time as the Kautof issue — and at a time when the market was still going through its prolonged period of exceptionally strong demand. But by waiting to watch the reception of this first issue, Thyssen's plans seem to have been overtaken by events.

The new year saw a reaction in a market which, although happy to accept a Federal Government issue for ten years with a 7 1/2 per cent coupon to yield 7.32 per cent, towards the end of last year, was unable to swallow January's DM900m rail way offering also for ten years but with the coupon lowered to 7 per cent. This issue is still trading between banks at a 0.75 per cent discount.

The reasons for this change of sentiment have severely been suggested as the result of a temporary holding back by the West German banks because of liquidity considerations on certain tax dates this month and also the sudden investor interest hark into the British markets.

The overriding explanation, however, seems to be that the authorities merely pushed their luck at a time when the market was going through a period of consolidation.

Syndicated loan of \$75m. for Manila bank

By Our Own Correspondent

SINGAPORE, Feb. 1.

A \$75m. syndicated loan for the Development Bank of the Philippines has been put together in Singapore. The agreement will be signed tomorrow. Lead managers for the loan are the Bank of Montreal (Singapore branch) and the First Chicago Merchant Bank. Co-managers are Bank of America, Citicorp International Group, Credit Suisse, Crocker National Bank, First Canadian Finance Corporation and Trident International Finance.

Figures released by the Monetary Authority of Singapore (MAS) today showed that the assets and liabilities of Asian Currency Units (ACU) in Singapore reached \$17,354m. at the end of December — 32 per cent more than the previous year. The growth in 1975 was 35 per cent. MAS attributed the slower growth last year to a diversion of funds into investments in the Asian dollar bonds which do not enter the lists of ACUs. If such investments were included the growth last year would be higher, it said.

As in previous years, interbank transactions dominated the ACU records. About \$12,951m. of their assets (\$8,098m. at the end of December 1975) and \$15,067m. of liabilities (\$10,294m.) were interbank funds.

Rizzoli, Libya join Malta move

By Godfrey Grima

A NEW venture in which the Malta government, Italy's Rizzoli and the Libyan government shares an equal shareholding, the Malta Publishing Company, came into operation yesterday with the appointment of Mr. Jo Grima as chairman and general manager.

Mr. Grima, a government MP, is former chief executive of the Malta Broadcasting Authority. Malta Publishing was created recently with a Malta £300,000 capital divided between the Malta Development Corp., Libya's General Publishing Distribution and Advertising Company, and Rizzoli's Societe des Editions d'Edizioni which was based in Luxembourg, to promote Arab and European literature, arts and cultures.

Malta Publishing will print eight per cent of its publications at Interprint, a Maltese printing house in which Rizzoli recently also bought an interest.

NIGERIAN INDIGENISATION

After the latest decree

BY JAMES BUXTON RECENTLY IN LAGOS

THE NIGERIAN Government has at last promulgated its Nigerian Enterprises Promotion Decree, under which the ownership of many enterprises is being wholly or partially transferred to Nigerians. This ends a year of uncertainty over the government's intentions, but heralds another two years of doubt and speculation about how the decree will be complied with.

Over one thing there is no doubt: This is not a nationalisation, creeping or otherwise, in the accepted sense of the word. Nigeria is a mixed economy with a dynamic indigenous private sector and the ownership of companies affected by the indigenisation decree should pass in the normal way to the Nigerian public.

Nevertheless there is considerable if seldom publicly expressed, anxiety about the Nigerian government's action, and this anxiety is not confined to the expatriate business community. Like any developing country Nigeria wants to control its own economy and put Nigerians into key posts in individual companies. It also wants industry and commerce to expand to reduce the country's dependence on oil revenues. The problem is that with only a very limited number of experienced Nigerian managers in a country of at least 70m. people Nigeria cannot rely on expatriates both to develop the economy and to provide Nigerians with training and experience, so that they can gradually take over more and more management posts.

Balance

The Nigerian Government in its indigenisation measures has to strike a balance between two apparently conflicting objectives. It must ensure that the country's economy is not disrupted by the removal of some kind of mutually beneficial partnership in the ownership and management of companies. The key question now is whether the latest measures strike the correct balance to ensure the creation of that partnership.

It is not a question that can easily be answered because so much about the implementation of the latest decree is uncertain.

The new round of indigenisation is on the same pattern as the first round, introduced in 1972, but provides for a far greater Nigerian share of ownership and management, and tougher provisions for the en-

forcement of the Government's wishes. It is, however, considerably less extreme than the report of the Government-appointed panel set up shortly after the fall of the Gowon regime in 1975 to review progress on indigenisation.

As in the first decree the first schedule directs that most small businesses (such as the already indigenous food retailing and roasting transport) are to be wholly in the hands of Nigerians. Although several more categories of business have been transferred to this section under the new decree those who give ownership under it are almost entirely Lebanese, Syrians or Asians, rather than British.

British and other major foreign companies are, however, affected by the other two schedules in the new decree. Most major companies in such businesses as large-scale manufacturing and retailing became at least 40 per cent Nigerian-owned under the 1972 decree and have, for the most part, complied with the 60 per cent category this time. Thus, such companies as Metal Box and Dunlop will have to sell about a further 20 per cent of their equity to Nigerians.

However, Metal Box is making subsidiary Metal Box Toys Glass, comes under the 40 per cent category because it is a different sector. Sixty per cent Nigerian ownership will now apply to the trading companies, which include the Unilever subsidiary, John Holt, subsidiary of, Lorrho, Levitts and R. T. Briscoe. These companies play a major role in the distribution of goods through out the country as well as in many other activities, and although some of their operations fall under Schedule One, a form of exemption has been devised for them. Provided that they have at least 10 per cent of Nigeria's 1975 turnover of at least Naira 25m. a year they need only go up to 60 per cent Nigerian ownership, but they must sell the extra equity on the stock exchange by June 30 this year — instead of December 31 next year — in the case of the rest of the companies affected by the decree.

The new decree creates a third schedule with at least 40 per cent Nigerian ownership which contains companies which became 40 per cent Nigerian after 1972 and are staying at that level; but its main provision is to include all other expatriate

companies which are not affected by the other two schedules, most of which have previously been entirely foreign owned. Thus the textile industry stays at 40 per cent, along with various kinds of manufacturing, such as car manufacturing. The manufacture of technically sophisticated products which Nigeria will now become 40 per cent Nigerian owned. But it should be stressed that these are broad definitions and are only a very rough guide to the 136 categories under the three schedules, and the position of some companies with activities in more than one schedule may take some time to verify.

Previous decree

When the previous decree was enforced, companies had two years in which to dispose of all or part of their equity to Nigerians, either privately or through the Stock Exchange. In the second schedule (then about 40 per cent) about 25 companies issued shares on the Lagos Stock Exchange at prices which were decided by the Government's Capital Issues Commission. The Commission took into account both assets and future earning potential in arriving at issue prices, a procedure which many companies regarded as unfair since in the case of, for example, large trading companies, assets are not a substantial item in relation to turnover. The resulting issue prices enabled many investors over the last three years not only to cover the costs of their investment in dividends but also to make capital gains of about 120 per cent in the value of their shares.

Against this, however, it should be pointed out that the profits made by Nigerians can make out of property ownership and the import of goods are usually at least as attractive as those made by the country's small number of fortunate shareholders.

At this stage it is extremely hard to predict with much certainty how the decree will work out in practice. The expatriate companies are naturally anxious to know how best to sell part of their equity and must also decide what attitude to take to future expansion. Nigerians themselves are wondering how effective the while operation will be in the achievement of its overall aims.

One of the points made by the respected Nigerian Institute of Management, whose members

are largely Nigerian, at a seminar on indigenisation a few days after the publication of the Government White Paper last year was that two years was too soon for a Nigerian investor to absorb the new capital transferred to them.

Whereas 35-odd new issues were launched on the S.E.C. during the last indigenisation process a total of 200 issues can reasonably be expected this time and very few calculations indicate that a well in excess of Naira 100m worth of new shares will be floated, as against Naira 30m. time there is now considerable more cash in the Nigerian economy than there was at the previous indigenisation period and much of it is in the hands of banks and other institutions which can expect to take up considerably more equity than they could obtain in the previous round. They are subject to the restrictions on the size of holdings which apply to individuals.

An immense amount depends on the Nigerian economy and its state of liquidity in the next two years. Indigenisation is a long-term process, and it is hard to say whether the end of the year, this should have little different floating the additional equity, especially as the major trading companies, have to comply with the devaluation criteria as in the past. The companies are unlikely to feel that the offer prices they are already quoted or stock exchange. The Capital Issues Commission can be expected to apply the same criteria as in the past, but the companies are unlikely to feel that the offer prices they are already quoted or stock exchange.

The remaining companies which must comply by the end of 1978, are likely to wait for as long as possible until the water before plugging in, although the Nigerian authorities would like to see a steady flow of issues on to the market. Given adequate liquidity in the economy, the value which companies realise on the market depends on how the Capital Issues Commission assess them. There is no suggestion at this stage that the Government would allow a grace period complying with the decree the event of a glut of issues on the market. Those companies which dispose of their equity privately will also have to issue prices determined by the Capital Issues Commission.

Norwegian banks' profits up

BY FAY GJESTER

OSLO, Feb. 1.

MARKED INCREASE in profits last year is reported by the three leading Norwegian commercial banks, which have also published results for 1976. All three will be raising dividends, compared with 1975.

The largest of the three, Bergen Bank, is increasing its dividend to 10 per cent, from 9 per cent, a year earlier, following a jump in net profit to Kr.58m. (£8.5m.) from Kr.36m. Bergen Bank was created in October, 1975, through the merger of Bergen's Kreditbank and Bergens Privatbank, and 1976 was the new bank's first full operating year.

The bank's managing director, Mr. Finn B. Henriksen, stressed that the size of last year's improvement partly reflected the fact that results in 1974 and 1975 had been unusually poor. In 1975, the merger process had involved additional costs and extra work, but this process was now complete.

Bergen Bank's total assets rose in 1976 by 16 per cent, to Kr.9,500m, because of the official requirement that share capital must grow proportionally with assets, the bank increased share capital last year by Kr.60m. to Kr.300m., and this year it proposes a further increase of Kr.100m., through a one for three rights issue.

Kristiania Bank og Kreditkasse reports a 15 per cent rise in assets last year, to Kr.8,100m., while net profits climbed from Kr.33m. to Kr.59m. The dividend is being increased to 11 per cent, from 10 per cent.

Fellesbanken (Union Bank of Norway), a commercial bank owned jointly by Norway's Savings Bank, increased net profit by Kr.15m. to Kr.133m. It is paying an 8 per cent dividend for 1976 compared with nil for 1975. Total assets increased by Kr.194m. to Kr.3,200m.

BELGIAN COMPANIES

French control of Gebeco looms

BY DAVID BUCHAN

IT IS BECOMING increasingly clear that the bid to keep General Biscuit Company — the biggest biscuit maker on the Continent — in Flemish hands has failed and that control will pass to the French group, Allment Essentiel-Ceremint.

Company officials would not concede to-day that the bid by the Belgian shareholders, in effect the company's president and vice-president, had totally failed in what has been an acrimonious fight against the French takeover. But they said that talks would now be held to establish some modus vivendi between the two parties.

The Secretary of State for Flemish Economic Affairs, M. Marcel Eyskens, who has made little secret of his opposition to the French bid, has now asked M. Rolé van de Putte, a former governor of the Belgian National Bank and a well-known trouble-shooter in the dis-

pute, it is, in fact, the intention of M. Eyskens that M. van de Putte should become the chairman of a new Gebeco Board, re-constructed to make more room for the new French majority shareholder, Allment Essentiel.

The battle started when the Banque de Worms last year bought 20 per cent of Gebeco which because of the close links the Paris bank has with Allment Essentiel, effectively brings the latter's stake in Gebeco up to 40 per cent. The company's managers immediately countered by putting up a public offer for 40,000 shares (at B.Fr.10.25, which is double what the shares were worth before they were suspended last November).

This, it was thought, would give them control when added to their existing stake. But apart from pronouncing the results of the public offer "satisfactory" back in December, the managers have since given no details and until the shares remain suspended on both the Brussels and Antwerp exchanges. Then, last week, the Antwerp based company alleged that under the counter offers had been made to Gebeco shareholders in order to frustrate the public offer.

It now seems that the Belgian or Flemish side has accepted the need to come to terms with the French group. M. Eyskens himself recently saw the head of Allment Essentiel, M. Van de Putte, to ensure that Belgian jobs are protected in whatever plan is worked out for the future. Given the hostility in many Flemish quarters of anything that smacks of French intervention, it has been the Flemish fear that their interests would inevitably suffer to a large extent if some legislation were passed to bring Gebeco and Allment Essentiel together, would make the world's third largest biscuit combine behind Nabisco in the U.S. and United Biscuit in the U.K.

The affair may have longer term results. In particular it made some Government circles acutely aware of Belgium's lack of any control over its Belgian companies coming to within the EEC, and there reports that some legislation being considered to remedy this. Ironically, when in 1974 Gebeco itself tried to take over Allment Essentiel, it was promptly blocked by the French Government.

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51,000 Coupon Debentures Bearing the Prefix Letter M																			
51285	2979	5124	7180	8681	10475	12108	13648	15439	17497	19253	20998	22851	24683	26511	28349	30187	32025	33863	35701
32176	3082	5226	7181	8708	10528	12154	13689	15483	17546	19302	21047	22891	24734	26577	28420	30263	32106	33949	35792
37149	3083	5227	7182	8735	10559	12185	13720	15513	17576	19332	21077	22921	24764	26607	28450	30293	32136	33979	35822
1981502	2174	5496	7271	8792	10634	12260	13795	15589	17652	19408	21153	22997	24840	26683	28526	30369	32212	34055	35898
1991502	2175	5497	7272	8819	10665	12291	13826	15620	17683	19439	21184	23028	24871	26714	28557	30400	32243	34086	35929
1991502	2176	5498	7273	8846	10696	12322	13857	15651	17714	19470	21215	23059	24902	26745	28588	30431	32274	34119	35962
1991502	2177	5499	7274	8873	10727	12353	13888	15682	17745	19501	21246	23090	24933	26776	28619	30462	32305	34152	36005
1991502	2178	5500	7275	8900	10758	12384	13919	15713	17776	19532	21277	23121	24964	26809	28652	30493	32336	34183	36036
1991502	2179	5501	7276	8927	10789	12415	13950	15744	17807	19563	21308	23152	24995	26840	28683	30524	32367	34214	36067
1991502	2180	5502	7277	8954	10820	12446	13981	15775	17838	19594	21339	23183	25026	26871	28714	30555	32398	34245	36098
1991502	2181	5503	7278	8981	10851	12477	14012	15806	17869	19625	21370	23214	25057	26902	28745	30586	32429	34276	36129
1991502	2182	5504	7279	9008	10882	12508	14043	15837	17900	19656	21401	23245	25088	26933	28776	30617	32460	34307	36160
1991502	2183	5505	7280	9035	10913	12539	14074	15868	17931	19687	21432	23276	25119	26964	28807	30648	32491	34338	36191
1991502	2184	5506	7281	9062	10944	12570	14105	15899	17962	19718	21463	23307	25150	26995	28838	30679	32522	34369	36222
1991502	2185	5507	7282	9089	10975	12601	14136	15930	17993	19749	21494	23338	25181	27026	28869	30710	32553	34400	36253
1991502	2186	5508	7283	9116	11006	12632	14167	15961	18024	19780	21525	23369	25212	27057	28900	30741	32584	34431	36284
1991502	2187	5509	7284	9143	11037	12663	14198	15992	18055	19811	21556	23400	25243	27088	28931	30772	32615	34462	36315
1991502	2188	5510	7285	9170	11068	12694	14229	16023	18086	19842	21587	23431	25274	27119	28962	30803	32646	34493	36346
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1991502	2190	5512	7287	9224	11130	12756	14291	16085	18148	19904	21649	23493	25336	27181	29024	30865	32708	34555	36408
1991502	2191	5513	7288	9251	11161	12787	14322	16116	18179	19935	21680	23524	25367	27212	29055	30896	32739	34586	36439
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1991502	2194	5516	7291	9332	11254	12880	14415	16209	18272	20028	21773	23617	25460	27305	29148	30989	32832	34679	36532
1991502	2195	5517	7292	9359	11285	12911	14446	16240	18303	20059	21804	23648	25491	27336	29179	31020	32863	34710	36563
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FINANCIAL TIMES REPORT

Wednesday February 2 1977

Bradford

Despite the economic climate, Bradford is growing and changing. It is now the centre of a metropolitan district of 500,000 people and its image as a grimy old Yorkshire town is gradually giving way to that of a clean, bright and more modern city.

Making the city work

BRADFORD'S MOVE from a typical Yorkshire industrial city of 300,000 inhabitants to a huge metropolitan district of half a million has not been easy. Its takeover of aggressively independent towns like Shipley and Ilkley and Keighley was expected to produce headaches. Political cynics say the main effect is to produce a permanently Tory-controlled area—some of the new territory taken in is middle class dormitory land presenting a solid Tory vote at elections.

Councillor J. E. R. Singleton, the metropolitan council's leader, chairman of a wool textile company, describes Bradford in 1977 as "about the most powerful Tory authority in industrial England." They have an overall majority of 29. This seems odd for a city which saw the birth of the Independent Labour Party, Vic Feather, Barbara Castle and Denis Healey, to name but a few.

If Bradford does progress as a power-house of Toryism in the industrial north, it will be just another of its long list of "firsts."

As well as the ILP, it was first with nursery schools, school dinners and well in the vanguard with excellent municipal grammar schools sending bright working-class boys to Oxbridge at a time when the rest of the country thought that only happened in Welsh plays by Emyl Williams. From this year it will be the first local authority to provide an all-purpose transport interchange complex—trains, buses and taxis under one roof.

It is certainly a changed city. Gone are the bleak, black wool warehouses that clustered round the city centre and the cheery smell of wool grease in the chill morning air. You detect a new pride among the citizens—after years of living on a permanent building site they are beginning to see a fine new centre which may be a nightmare for pedestrians on a wet winter day, but looks good and astonishingly returning ex-Bradfordians who knew only the smoke and grime and cobblestones of yesteryear.

"I never believed I'd ever settle here again," said a young man working in a city centre bar. He returned to Bradford after nine years globe-trotting with the army. "It's a great place now—and it's going to get better."

Bradford has always lived

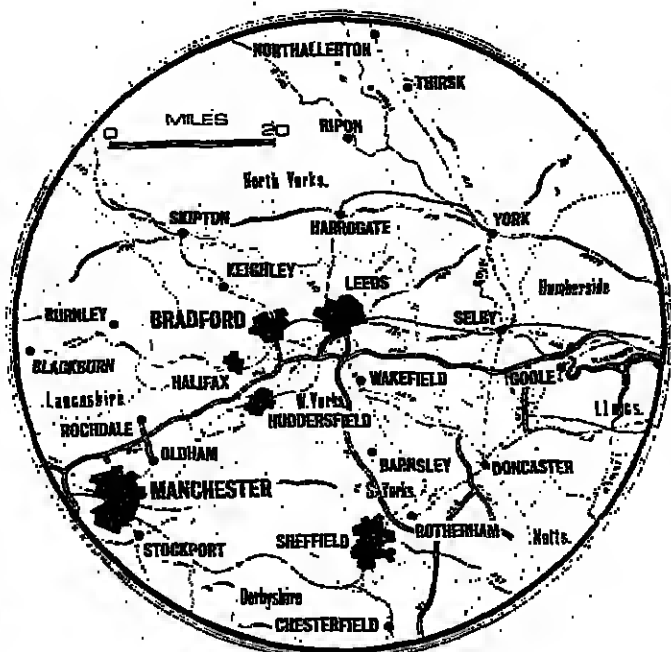
under the shadow of its near-neighbour, Leeds, nine miles away. Councillors tell you the two-city rivalry is just a music-hall joke, but it isn't. It has been a long love-hate relationship going back over a century and recorded with great detail and wit in Asa Briggs' book, *Victorian Cities*.

But now with a huge metropolitan district under its wing, Bradford sees itself with a role just as important as Leeds in the development of West Yorkshire. Leeds may be the regional capital attracting plum office development, but Bradford has a lot going for it, too. It has scope for developing industry, a university which includes Britain's leading centre for management studies and what it regards as "the jewel in its crown"—the little moorland town of Ilkley with its fine facilities for the fast-growing conference "industry." It feels its years as a busy cul-de-sac off the Great North Road are over.

Determined

The city's chief executive, Gordon Moore, is determined to make the new metropolitan district work, even though he is no friend of two-tier local government.

Bradford has had its battles with the West Yorkshire County Council, the super authority that watches over it. Mr. Moore admits this developed into open war over car-parking. The county council's policy is to push transport as much as possible while the districts feel it has not really considered the interests of the business motorist. The conflict led Bradford to defy the county council



This Report was written by
ALAN FORREST

by going ahead with a 400-car park in Kirkgate.

"Two-tier local government was a monumental blunder," Mr. Moore says. "Maybe it works with a service like the police in an area when crime is so highly mobile, but not in other areas." The old West Riding County Council was able to look after 180 small authorities, but now the county just has five "big ducks" (Bradford, Leeds, Calderdale, Kirkless and Wakefield, the five metropolitan districts.)

The drive for new industry is high on council leader Mr. Singleton's priorities. He favours new manufacturing industries—as a textile man himself he wants to see a new build-up of Bradford as a manufacturing centre with a diversity of businesses that will bring better job opportunities and much-needed export business.

Another of Bradford's "super salesmen" is Mr. C. R. Atkinson, its director of development services. Mr. Atkinson, in full flow, talks more like a poet than

a local government official. He talks of Bradford as "the city centre that refused to die"—and see it all set for a bright future after a decade of marking time.

He tells the story of bringing a party of civil servants to Bradford to prospect office space. He stopped the car on a hilltop. In the valley below, making was going on. It was a typical rural scene on a warm summer day. "When I told them we were a mile from the city centre they just couldn't believe me," he said.

This was not a case of over-selling. Bradford's rural corners have always given the city a charm that made up for the smoke and grime of its mills. From Queensbury, Yorkshire's highest built-up area, home of John Foster's famous Black Dyke Mills and its champion brass band, you can be in open country on foot within minutes from the main street. And in the city centre by car in 15 minutes.

Complaints

Away from city hall and among the crowds in the shops and pubs you don't hear so much complaining about the new authority as you did two years ago. Bradford people tend to be tough about "spending brass," particularly when it is being spent. Out in the country areas you still hear complaints that authority is too remote—for example, Addingham, the outermost community in the metropolitan dis-

trict is 14 miles from the city centre. But City Hall people reply by pointing out how well outer areas like Shipley, Ilkley and Keighley are represented on the city council and that a new school for Addingham is high on their list of education priorities when finance is available.

A lot of old rivalries have gone by the board—Shipley, for example, the little township that fought annexation by Bradford throughout the 1830s, has settled peacefully under Big Brother's umbrella. And Ilkley, a busy building up its conference hotels dotted round the edge of the moors, is gaining from the missionary work of Bradford's public relations department.

"Nobody has lost any identity," one councillor told me. "We recognise their needs and you can't turn a Shipley man into a Bradford man overnight, even though there's only five miles between the two centres. The old city was a collection of villages—nobody hardly was a Bradford man—he was a Wyke man, a Lidget Green or an Eccleshill man. Now we're just a bigger collection of villages."

The district's planners are convinced they can make their chunk of West Yorkshire work. In spite of that county council. Local Tories hope that relations with the county council might be better after the next election when a defeat for the ruling Labour Party is expected.

Drive for more industry

BRADFORD HAS stated its main aims during the next few years as "increasing prosperity and protecting the environment." It does not seem a revolutionary idea, but the battle for greater prosperity does involve an even greater diversifying of industry.

Not that Bradford has ever been a one-industry town. It has leaned heavily on wool—when people see pubs with names like the Woolstaplers Arms and the Woolstaplers and the names of the great mill-owners of the past commemorated in hospital wards, public halls and public parks, they know what kind of a town they are in. Even the city's art gal-

lery is named Cartwright Hall—after the inventor of the power loom.

But there are other industrial traditions in the city—great engineering companies like Hepworth and Grandage and English Electric, big printing companies like Field, now part of the Reed group, Sbarpe, the greeting card company and Lund Humphries, one of Britain's top art printers.

It was the home of Jowett Cars until the company closed—and this year the Jowett Car Club is holding its annual reunion in the city. Jowett's successor, International Harvester, is still a big force in the city. Bradford, too, is a big centre of the mail order industry. On the south of the city Gratton Warehouses has its big headquarters, Empire Stores is based in the area and the city saw the birth of the clothing check business when the Waddilove family founded Provident Clothing and Supply Company, and kept a local football team going for many years, too.

The drive for new industry is on. Councillor Singleton, the council leader, says: "We need more manufacturing industry." Of course, the city is not turning up its nose at service jobs, but planners are determined that the city must remain as a manufacturing area.

There is plenty of scope. People living out on the green belt are unanimous that they would like to see clean, light industries that do not damage the environment. Others would like to see newcomers to the inner city where the great old wool warehouses used to be. There is great scope for development on the Euroway industrial estate which lies on the edge of the motorway and provides unmatched transport links with industrial Lancashire.

Local industry has gone through a bad patch in recent years, though Mr. Fred Toft, chairman of the Yorkshire and Humberside Region of the Engineering Industries Association, said recently: "It is no accident that this area has largely escaped the very worst of the economic decline. This has been due to the vast

experience accumulated here in exporting, especially in wool and textiles. "And the past 30 years have seen the rapid growth of other industries, particularly engineering, both mechanical and electrical, television and electronics."

But the district has suffered from unemployment. Local trade union officials have criticised employers for laying off workers too readily, but there is evidence that companies have struggled hard to keep their labour force. In spite of unsatisfactory order books. There are worries about the drop in apprentice recruitment and the fear that when the local economy picks up dramatically there will be another shortage of skilled labour.

Along with the drive for more industry, there is also a fight for better communications. Bradford's new rail and bus links, right in the city centre near the site of the old Exchange Station, will be a boon.

The city is hoping for final victory in the battle for a longer runway at the Leeds-Bradford airport at Yeadon in order to take Jumbo jets with a full paying load. The position at present is that two authorities, Bradford and the West Yorkshire County Council, have voted for the runway and Leeds against it after a free vote in the city council.

Train services to London and big provincial centres, like Manchester are quick and efficient. Hotel accommodation has increased although the old Midland where Henry Irving died after collapsing on the stage of the old Theatre Royal has gone. The Victoria remains and the new Norfolk Gardens, also in the city centre, has become a popular stopover for businessmen. Chamber of Commerce secretary Donald Woodcock believes there is scope for another hotel—he was only one of many people who criticised British Rail for closing down the fine old Midland. Certainly it was impossible last week to get a room in the city centre—business conferences and young men on management courses this had filled both central hotels.

CONTINUED ON NEXT PAGE

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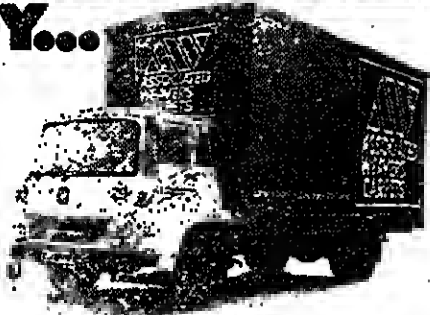
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Daily Telegraph, Monday 6th December 1976

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OLD BRADFORDIANS tell you there was once a man who could be seen in the bar of the now demolished Talbot Hotel at lunchtime, cloth cap on back of head, a pint of bitter in his hand, whistling a Mozart string quartet as he checked the racing tips in the local paper. This is no surprise to anyone who knows Bradford. The city has always had a cultural tradition that seemed to mix well with beer and racing tips.

The great tradition of Yorkshire choral singing is mainly rooted in the working-class. The great brass bands certainly are—and both choirs and brass bands survive in the Bradford district, along with a lot of other things.

Bradford once had six theatres. It once had over 30 cinemas. Delius, the composer, was born there. So was J. B. Priestley. It was one of the first cities outside Manchester to provide a platform for Mr. Charles Halle's Band. There

were the days, as Priestley himself has described, when amateur chamber music was played every week-end in the handsome houses of Manningham Lane.

Now there is only one professional theatre—and a very good amateur one. And you would be unlikely to hear anything better than an electric guitar around Manningham Lane. But the cultural tradition is kept alive by all kinds of groups and by the Yorkshire Arts Association, based at Bradford.

The Alhambra Theatre, one of the finest traditional theatres left in the north, is owned by the council. At present it is enjoying an extended run of the pantomime. Many of the city's artistic activities are managed by the Department of Education.

Services, as are leisure at a Beethoven evening, it becomes a wrestling arena or the platform for a pop concert. It seems to carry them all off with dignity.

The choice of activities is wide in the district. A rapid train journey takes you to Leeds with three professional theatres. And Bradford has a fine civic theatre which, though amateur, was a training ground for now well-known professional directors such as Peter Dews and Tony Richardson. Billie Whitelaw acted there before she became a professional.

The council is busy these days promoting conferences. It isn't setting its sights too high at first—ideally it can offer excellent facilities to the conference of about 200 people. This year the National Union of Journalists has been drawn to Ilkley

and the Museums Association is coming to Bradford later. Recently Bradford entered the British Overseas Trade Board for a conference. Sessions were held at the fine new Library Theatre and catering was done at the Norfolk Gardens Hotel. Sir Fred Catherwood, who chaired the meetings, went on record that it was the most successful conference the Board had held.

"Of course this is an area we want to develop," a council official said. "We know we can't aim at the big ones, but we have ideal facilities for the small conference. Ilkley has enough hotels and during vacation time organisations can use the training college. And we have the university and several further education colleges in Bradford with accommodation going begging at holiday time."

The new Novotel, on the edge of the motorway, is becoming an ideal venue for small business conferences. A textile man told me that one company he knows with interests in both Yorkshire and Lancashire uses it as a meeting place for executives from both counties. They can drive in and get together without having to go near the traffic of the city centre.

Sport is well catered for in Bradford and district. Though the city can only offer Fourth Division football, the great Leeds United is nine miles away. And after all, Bradford City is at last knocking on the door of the Third Division. The Bradford Northern club offers Rugby League, but there is Rugby Union in Bradford and in most of the outlying districts.

Bradford is a great cricket city. One of Yorkshire's main grounds is at Park Avenue, a couple of miles out of the city centre. And the one-day matches of the Bradford League clubs often offer a better afternoon's sport than at many one-day county matches. After all, Bradfordians tell you, Jim

Laker never played for Yorkshire, but he played with great success in the Bradford League.

Golf courses are plentiful and impressive. Lister Park, a well as containing Bradford's better-than-average art gallery has a splendid outdoor swimming pool. And if your strenuous exercise is a game of darts in the pub, you will find a lot of good players.

Within a few miles of the city centre, there are the "gateways" to the Yorkshire Dales. An alternative to Ilkley is Skipton, the little market town with a castle that lies just over the West Yorkshire border in North Yorkshire.

The Dales National Park has been described as one of Bradford's "lungs." Half an hour drive from Skipton are places like Appletreewick, a favourite spot for painters, and Burnsall with its great fell. A visit there on a fine sports day is an unforgettable experience—and the pubs are open all day.

There is Bolton Abbey where at one time you might bump into Harold Macmillan in the Devonshire Arms when he was out shooting with the Duke of Devonshire. Not far from the ruined abbey is The Strid, a sort of whirlpool eddying through a funnel of rock. It has a rather dark history. The foolhardy are inclined to leap across. Many have drowned.

A few miles down the road from Bolton Abbey is the little township of Addingham—at that brings you back in Bradford again.

Eating out in the area is an adventure. You can enjoy a good Yorkshire fish-and-chip restaurant like Mother Hulbard's just out of the city centre or the Fish Dish at Ilkley. At the top of the scale is Box Tree Cottage at Ilkley, dined by every leading good food guide and where you will eat like a prince providing you have a lot of cash or a good credit card.



Bradford City Hall

Country joins the city

IT TAKES some time for a stranger to work out just what and where Bradford Metro is. But any businessman entering the district either for a few days' stay or to live should explore the outer areas. Of the five metropolitan districts of West Yorkshire, Bradford was luckiest in its annexations. The old city had a fair amount of greenery—areas like Thornton, birthplace of Charlotte Brontë, genuine villages like Clayton and as fine a half-dozen parks as you can find outside London.

But the new boundaries really brought the country to the city. Harrogate, high in the ambitions of every authority as the day for the new boundaries approached, went to West Yorkshire. But Bradford got Ilkley—now the jewel in our crown," says chief executive Gordon Morre.

Many more people have heard Yorkshiremeo sing "Ilkka Moor Bant At" than have ever been to the little grey town, nestled in the shadow of some of the finest moorland scenery in Britain. In the next few years, Bradford planners believe, its fame is likely to spread.

Favourite

In recent years it has welcomed a lot of new residents. The area is a favourite spot for Bradford University staff to live. The headquarters of the International Wool Secretariat is based there. It has several fine hotels, from the Craiglands, a handsome Victorian building looking on the moors (owned by Falcon Inns) to the friendly Crescent in the centre of the town. It has a flourishing Playhouse, a splendid small concert hall and is a few minutes' drive from the real high Yorkshire Dales. There is a regular train service to Bradford—less than half an hour—and a taxi home after a late night out in the city costs about £3.50.

Shipley, which joined Bradford like a lamb after fight—like a lion through the 1930s to avoid just that—is a more the road lead: "You can go over workaday town. One of its biggest employers is the big Butterfield Tank Works. It also contains one of the great wool textile mills, Salts (Saltaire), far from a fast bus service. And founded by the Victorian philanthropist Titus Salt who built his model village round his mill. Last year was the centenary of his death and events to mark

it were criticised by some local Left-wingers who point out that Sir Titus was not exactly philanthropic when it came to child labour.

But Shipley, too, is not all mills and engineering works. It has a bright new town centre, moors on every side, and Shipley Glen, a heather-patched open space. Residents warn you not to take a girl on Shipley Glen unless you want to return engaged. Shipley has benefited from the moving of office jobs from London. A new office is under construction there for the Inland Revenue, which will bring nearly 1,000 jobs to the area.

Nearby Bingley is Room At The Top country. It was an obscure little market town, to everybody outside Yorkshire and the few thousand teachers who had studied at its training college, until John Braine wrote his best-selling novel. He was a local librarian and even today, more than a decade after it reached the bookshelves, arguments still rage in Bingley about who Alice really was. The town has one of the most adventurous little theatres in the county, now complemented by a splendid arts centre. It has fine "executive-type" housing and the River Aire runs through the centre.

Another of Bradford's glittering prizes in the boundaries reshuffle was Keighley—first, because it is a substantial industrial town, small enough to be semi-rural and large enough to be a real centre. It is prominent in the engineering industry, has a thriving go-ahead machine-tool concern like Keighley Grinders. And it has Haworth.

The inclusion of Bronte Land in Bradford really put the city into the tourist trade. The visitors come in thousands throughout the year—you find as many Americans there in bleak midwinter as in high summer, because winter, they're told, is the best time to see that ruined farmhouse, Wuthering Heights. The moors stretch for miles—as one Yorkshire patriot said to a visitor who asked him where to avoid just that, is a more the road lead: "You can go over workaday town. One of its biggest employers is the big Butterfield Tank Works. It also contains one of the great wool textile mills, Salts (Saltaire), far from a fast bus service. And founded by the Victorian philanthropist Titus Salt who built his model village round his mill. Last year was the centenary of his death and events to mark

oil policies and put themselves in the firing line for questions.

The people in these outer areas remain as fiercely independent as before the takeover. Some of them have got parish councils—not much power, but lots of opportunity to talk and complain. You do not find anyone in Ilkley who really regards himself as part of Bradford, but hoteliers admit that Metro publicity has brought more winter business, visitors who jump at the chance of living for a few days out in the country and commuting to the city to see their customers.

Tourist

With places like Ilkley and Haworth under their umbrella, Bradford is already talking of going into the tourist business. Their situation is ideal for all the Yorkshire Dales—and only a few miles north of the city boundary is Skipton and the road to Kendal and the Lakes.

One official told me: "I admit we have not had any great response from the travel industry over 'Spend a holiday in Bradford' but we've got hopes of student parties using our colleges during the vacation." One idea being examined is a series of "Bronte Workshops" during university vacations with accommodation in empty colleges. "We can certainly provide better than youth hostel accommodation at a fraction of what even a modest hotel would charge," he said.

"Come to sunny Bradford" doesn't sound exactly like the travel goody of the decade. But in these hard times, who knows?

Industry

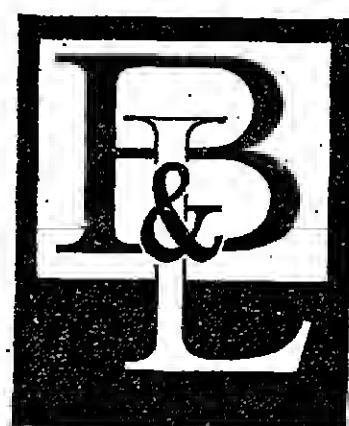
CONTINUED FROM PREVIOUS PAGE

But Mr. Woodcock believes that the big magnet for attracting new companies to the city could be its outer environment. The lure of Ilkley with its golf and rock climbing and unlimited facilities for outdoor activities provides an excellent dormitory for young executives.

At the moment, unemployment seems to have stabilised around the national level. This has led to some sighs of relief, but no complacency. There have been job changes and not

all for the good. A man serving in a Great Horton pub said he was a bricklayer, but had no building work since 1974. "This job doesn't bring me the money I used to earn," he said, "but I've mates who are on the dole."

Everybody sees the need for more industry and expects to get it. "Bradford's no longer a music hall joke," a businessman in the pub said. "We may have had some sighs of relief, but Coronation Street thinking has gone by the board."



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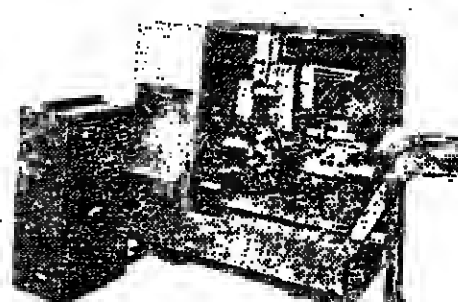
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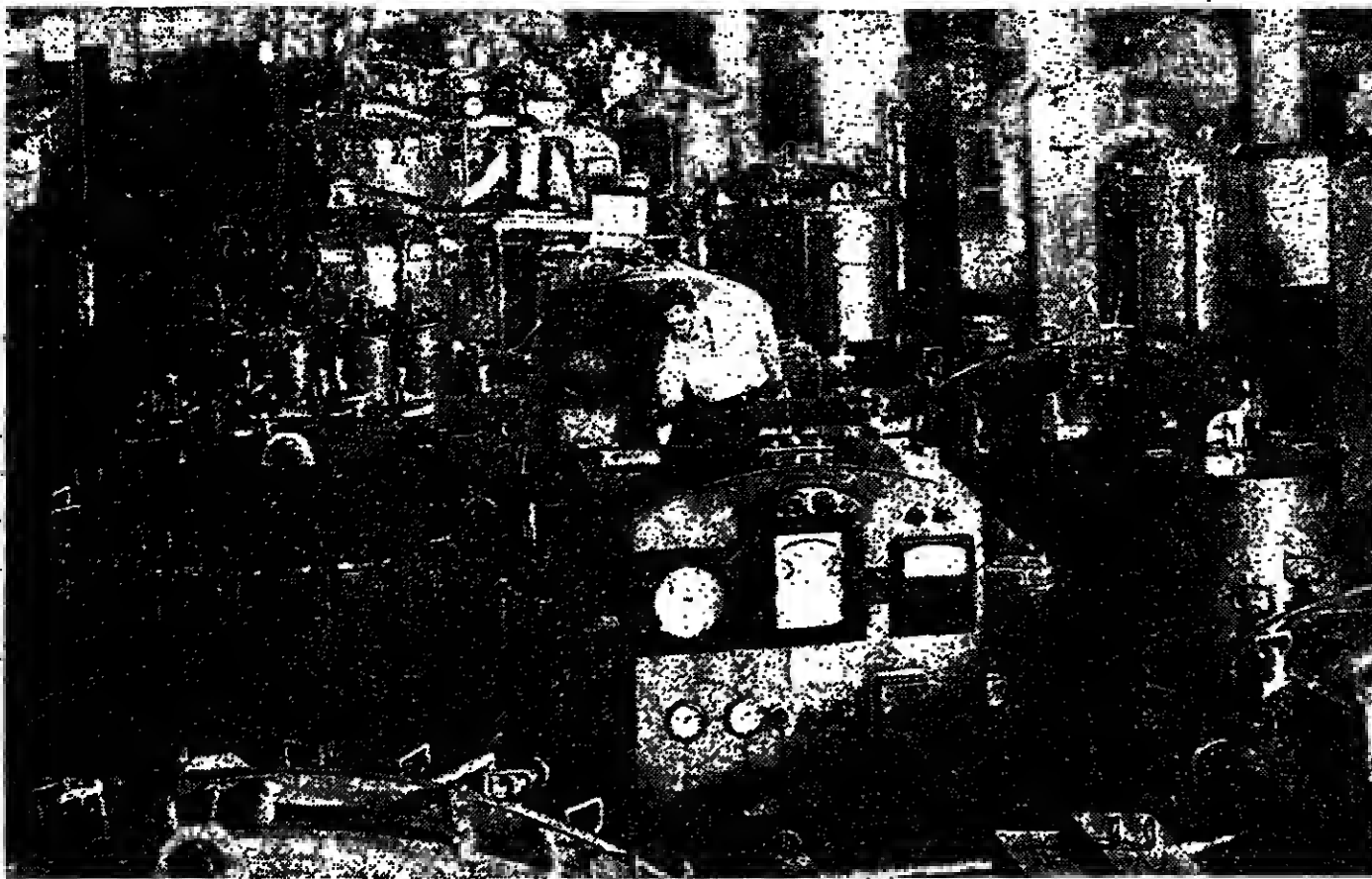
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BRADFORD III

Some recovery in textiles



Stainless steel vats for dyeing wool and other fibres at Bulmer and Lumb's textile factory in Bradford.

THERE ARE a few cautious smiles on the faces of Bradford's wool textile men of late, but no broad grins as yet. The industry has gone through traumatic days during the last decade and is not yet out of the wood. But people in the trade are feeling more optimistic.

Bradford is not the "Woolopolis" it once was. The Wool Exchange, a handsome Moorish building where the fortunes of the trade were decided every Monday and Thursday in past years, still stands. It survives now as a valuable "talking shop" for the trade. Its days as an important trading headquarters belonged to the era of a multitude of small top-makers—like so many institutions it has become redundant in an age of rationalisation.

The golden age of the industry has gone. The Crowthers of Bankdam are dead—if they ever lived. But what is left is a highly sophisticated and important industry, high on the list of Britain's exporters, a cleaner and pleasanter working environment than in the old days and no longer running down at the rate of many jobs a month.

The Wool Textile Delegation recently announced a strong recovery from the poor trading conditions of recent years. Exports in 1976 are estimated at £290m, the highest ever in value. "Cost inflation naturally served to boost the figure, but there were also substantial volume increases over the previous year—of between 20 and 25 per cent in tops (combed wool) and yarn, while exports of cloth also began to register quantitative gains towards the year end."

Talk in the trade is of a worldwide return to natural fibres. Textile men believe an elegant, classical look is coming back into fashion. Representatives from the Bradford Trade in Paris recently were asked to produce all-wool patterns for women's suits. "We haven't any ladies' cloth," they said (it is usually lighter weight than men's). But the French wanted to use men's suitings to produce a proper tailored look.

One manufacturer said: "I think people are suddenly sick of synthetics. They're prepared

to buy an all-wool suit for a lot of money and make it last. Manufacturers in Germany, France and Italy have stated frankly that they are following the British look in their new season's ranges."

Unfortunately, the boom in exports is not repeated in home trade. The trade is worried at the high numbers of low-cost suits and cloth still flowing into the country, mainly from Commonwealth countries—a £345m. business in the first nine months of last year and 35 per cent up on the same period in 1975.

Imports

Mr. Michael Roberts, chairman of the Wool Textile Delegation, says: "Imports of men's and boy's suitings took a fairly sharp downturn during the year, but the level is still very much too high. No matter how

modern and efficient an industry is it cannot live with a market penetration of the present order, especially when one takes into account the distress prices at which many of the goods are brought in."

But in spite of this problem, and others such as the decline of the Bradford industry's doorstep market, the multiple tolling factories of Leeds, things are not looking so bleak as they once did. True, there has been a big rundown in jobs. In 1959 the industry provided work for 70,000 in the district—this had fallen to 34,000 by 1974, according to figures issued by the city council. Much of this was the result of rationalisation processes, new machinery and concentration of production in fewer companies.

There have been continuing success stories—the rapid growth of the Illingworth

Morris group which now owes some of the really famous names in the industry, including Sir Titus Salt's mill at Saltaire. Another has been the performance of Associated Weavers, a tiny company only nine years ago, but now Britain's largest exporter in the carpet manufacturing industry. It sold out people at Bradford.

to American Champion Internat-

ional for £40m. in 1974. The company has made capital investment in Bradford and Belgium of over £9m. Last year its total carpet sales were £58m. and are expected to be £70m. this year. Its U.K. exports are around £1m. a month and it employs 2,900 people at Bradford.

Mr. Michael Abrahams,

Associated's chief executive, said recently: "We can now see the beginning of a new period of growth in the business." He expects 1977 to be a year in which the company will increase its share of the world carpet market even more.

There is no doubt that textiles will continue to be important in Bradford's economy. Bradfordians couldn't think of their city without it, and even the pessimists of a couple of years ago crying into their beer as more jobs were shed didn't really believe it when they said: "The wool's finished."

Informality

Textile men are never tired of telling how other industrialists envy them for the way they have carried out cuts and rationalisation without upsetting the industry's excellent labour relations. Some say the industry's long tradition of paternalism has helped. Certainly the informality in some mills astonishes visitors from other industries.

Recently a Bradford company opened an extension to their mill. They held a lunch reception to mark the occasion. Visitors were surprised to see it took place in a mending room, while a group of girl menders, the most highly skilled women workers in the industry, sat at their tables repairing flaws in lengths of cloth.

But when they had finished their work they got up and joined the bosses at the party. "That's what you call labour relations," added the man who told the story. He might also have mentioned that they were very pretty girls.

Preserving its traditions

AN OLD missionary hymn of the last century had the line: "On Bradford likewise, look thou down, where Satan keeps his seat." Local opinion is that the writer was seeing the smoke and grime and confusing it with people's morals.

Now the city centre is smoke-free and does not look like Satan's seat any longer. You can even recognise the stonies of the manor of England round the wall of City Hall and appreciate the charm of the Albion Theatre.

The rebuilding of Bradford was not to everybody's taste. Many mourned the loss of Swan Arcade, an ornate Italian-style rabbit warren of shops and offices which played a great part in the growth of the local wool trade. The arcade has gone—and is immortalised in a long chapter of Bradford-born novelist J. B. Priestley's autobiography.

There were many problems. Bradford was a typical West Riding city with streets and streets of back-to-back houses hugging close to the centre and the mills and wool-warehouses where the residents worked. It also had its share of handsome substantial houses, homes of the masters of the trade, which declined into commercial hotels or offices or dignified slums after their owners had discovered greener pastures out at Nilesy or Guiseley or Harrogate.

A lot of the old back-to-backs have gone, some to make space for Bradford's growing university. Bradford has always been forward-looking housing authority. Its council houses, even back in the 1890s, had a style and solidity that were the envy of other West Riding centres.

A lot of the old property survives. The area around Lumb Lane and Manningham, a few minutes from the city centre, has developed into a Pakistani enclave—the Burma Road, locals call it. To take a trip here in mid-afternoon is to step into another world, another culture. Pakistani banks, airlines, textile shops selling nothing but saris, Asian grocers, and pubs where you hardly see a white face cluster together.

The air is heavy with curry fumes. "I remember when all you could smell round here was wool grease," grinned a taxi-driver dropping a fare. "It was worse than curry." The surroundings were a million miles

away from suburbia, but a recent colour magazine article dubbing Manningham the worst slum in Europe seemed an exaggeration.

You can't make simple verdicts on immigration in Bradford. There are between 50,000 and 60,000 Asians in the city. On the face of it, race relations are astonishingly good, thanks to a lot of work by police, social workers and immigrant leaders—and the splendid policy of the city's evening paper, *The Telegraph and Argus*, which even runs news reports in Urdu when important stories on the Indian sub-continent break.

There is certainly nothing like Mr. Powell's "civil war situation" threatening, in spite of recent attempts by the National Front to stir things. Bradford's chief executive, Gordon Moore, says plainly that now the immigrants are there, the city's economy wouldn't tick without them. They practically run local public transport and take the dirtiest jobs in the wool textile industry.

Real integration, of course, is a long way off. One council official was talking about one of his periodic chats with staff. He asked a Pakistani girl secretary if she felt she was integrated. "Oh, yes, completely," she said—then volunteered the information that she was quitting her job the next month to marry a boy from Pakistan whom she had never seen.

One of the main race problems concerns schooling. The Bradford authority does bus Asian children—mainly so that there will not be too many children with English language problems in any one school. Its policy is for all mixed schools, but exceptions have had to be made for girls from Moslem families whose parents completely ban any contact with boys outside the home.

But race relations are good. And many immigrants will benefit from Bradford's plan for "refurbishing" streets of old houses in the inner city area. Jack Feather, the city's principal housing officer, when asked if the plan was a genuine attempt to rescue inner areas or forced on the authority by the economic situation, agreed: "It was a combination of both."

dents to do the improvements themselves.

Mr. Feather says the vast majority of Bradfordians want to be owner-occupiers. For some years the authority has had a policy of selling council houses which has been hit by the monetary situation.

In 1974-75 the city lent £6.6m. to people for house purchase; in the current year available funds have been cut to £2.3m. "But the building societies have rallied round," Mr. Feather says, "and have given 105 mortgages to people who would otherwise have bought through the council."

Although the city centre itself has not seen the office boom that came to Leeds, Bradford has got the national headquarters of three big building societies, the Provincial, the Huddersfield and the Bingley. At Rutland House in Manningham Lane, a new Inland Revenue complex brought 200 more office jobs to the city.

Littlewoods is building a big new department store and, after many years had been shed over the demise of the handsome old Victorian Kirkgate Market, citizens are finding the new market more spacious, cleaner and more efficient.

City shopping is good. Bradford has Brown Muff, one of the great northern department stores, a family business which has served up-market shoppers from all over the county for many years. The other big store, Debenhams, in Manningham Lane, although away from the main new shopping development, is a favourite with many Bradfordians.

There is some criticism about the lack of comfortable city centre pubs. Older drinking bands still mourn the loss of Spink's old bar, an oak and leather retreat in the basement of the Wool Exchange buildings and the Old Queen's Hotel, Bradford's one city centre Regency building.

But people in the business say the demand for city centre drinking has dropped. It is so easy to drive out to the moors—less than half an hour's drive from the city centre you can be in a bright hotel overlooking the famous Cow and Calf Rocks or a typical Yorkshire pub tucked away down a moorland road. And, they say, if you're lucky you might find one where the licensing hour are very elastic.

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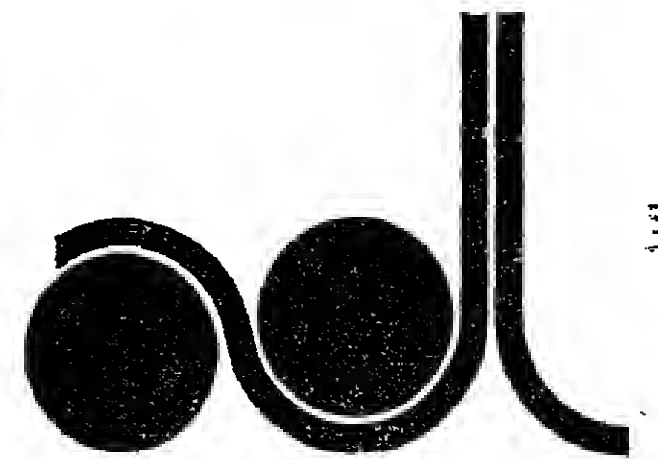
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101	101	De Vere Hotels	100	1.1	1.1	101	101	De Vere Hotels	100	1.1	1.1
102	102	De Vere Hotels	100	1.1	1.1	102	102	De Vere Hotels	100	1.1	1.1
103	103	De Vere Hotels	100	1.1	1.1	103	103	De Vere Hotels	100	1.1	1.1
104	104	De Vere Hotels	100	1.1	1.1	104	104	De Vere Hotels	100	1.1	1.1
105	105	De Vere Hotels	100	1.1	1.1	105	105	De Vere Hotels	100	1.1	1.1
106	106	De Vere Hotels	100	1.1	1.1	106	106	De Vere Hotels	100	1.1	1.1
107	107	De Vere Hotels	100	1.1	1.1	107	107	De Vere Hotels	100	1.1	1.1
108	108	De Vere Hotels	100	1.1	1.1	108	108	De Vere Hotels	100	1.1	1.1
109	109	De Vere Hotels	100	1.1	1.1	109	109	De Vere Hotels	100	1.1	1.1
110	110	De Vere Hotels	100	1.1	1.1	110	110	De Vere Hotels	100	1.1	1.1

BRITISH FUNDS

1976	1977	Stock	Price	Div	Yield
100	100	British Funds	100	1.1	1.1
101	101	British Funds	100	1.1	1.1
102	102	British Funds	100	1.1	1.1
103	103	British Funds	100	1.1	1.1
104	104	British Funds	100	1.1	1.1
105	105	British Funds	100	1.1	1.1
106	106	British Funds	100	1.1	1.1
107	107	British Funds	100	1.1	1.1
108	108	British Funds	100	1.1	1.1
109	109	British Funds	100	1.1	1.1
110	110	British Funds	100	1.1	1.1

CANADIANS

1976	1977	Stock	Price	Div	Yield
100	100	Canadians	100	1.1	1.1
101	101	Canadians	100	1.1	1.1
102	102	Canadians	100	1.1	1.1
103	103	Canadians	100	1.1	1.1
104	104	Canadians	100	1.1	1.1
105	105	Canadians	100	1.1	1.1
106	106	Canadians	100	1.1	1.1
107	107	Canadians	100	1.1	1.1
108	108	Canadians	100	1.1	1.1
109	109	Canadians	100	1.1	1.1
110	110	Canadians	100	1.1	1.1

BUILDING INDUSTRY-Continued

1976	1977	Stock	Price	Div	Yield
100	100	Building Industry	100	1.1	1.1
101	101	Building Industry	100	1.1	1.1
102	102	Building Industry	100	1.1	1.1
103	103	Building Industry	100	1.1	1.1
104	104	Building Industry	100	1.1	1.1
105	105	Building Industry	100	1.1	1.1
106	106	Building Industry	100	1.1	1.1
107	107	Building Industry	100	1.1	1.1
108	108	Building Industry	100	1.1	1.1
109	109	Building Industry	100	1.1	1.1
110	110	Building Industry	100	1.1	1.1

DRAPERY AND STORES-Continued

1976	1977	Stock	Price	Div	Yield
100	100	Drapery and Stores	100	1.1	1.1
101	101	Drapery and Stores	100	1.1	1.1
102	102	Drapery and Stores	100	1.1	1.1
103	103	Drapery and Stores	100	1.1	1.1
104	104	Drapery and Stores	100	1.1	1.1
105	105	Drapery and Stores	100	1.1	1.1
106	106	Drapery and Stores	100	1.1	1.1
107	107	Drapery and Stores	100	1.1	1.1
108	108	Drapery and Stores	100	1.1	1.1
109	109	Drapery and Stores	100	1.1	1.1
110	110	Drapery and Stores	100	1.1	1.1

ENGINEERING-Continued

1976	1977	Stock	Price	Div	Yield
100	100	Engineering	100	1.1	1.1
101	101	Engineering	100	1.1	1.1
102	102	Engineering	100	1.1	1.1
103	103	Engineering	100	1.1	1.1
104	104	Engineering	100	1.1	1.1
105	105	Engineering	100	1.1	1.1
106	106	Engineering	100	1.1	1.1
107	107	Engineering	100	1.1	1.1
108	108	Engineering	100	1.1	1.1
109	109	Engineering	100	1.1	1.1
110	110	Engineering	100	1.1	1.1

INDUSTRIALS

1976	1977	Stock	Price	Div	Yield
100	100	Industrials	100	1.1	1.1
101	101	Industrials	100	1.1	1.1
102	102	Industrials	100	1.1	1.1
103	103	Industrials	100	1.1	1.1
104	104	Industrials	100	1.1	1.1
105	105	Industrials	100	1.1	1.1
106	106	Industrials	100	1.1	1.1
107	107	Industrials	100	1.1	1.1
108	108	Industrials	100	1.1	1.1
109	109	Industrials	100	1.1	1.1
110	110	Industrials	100	1.1	1.1

BANKS AND HIRE PURCHASE

1976	1977	Stock	Price	Div	Yield
100	100	Banks and Hire Purchase	100	1.1	1.1
101	101	Banks and Hire Purchase	100	1.1	1.1
102	102	Banks and Hire Purchase	100	1.1	1.1
103	103	Banks and Hire Purchase	100	1.1	1.1
104	104	Banks and Hire Purchase	100	1.1	1.1
105	105	Banks and Hire Purchase	100	1.1	1.1
106	106	Banks and Hire Purchase	100	1.1	1.1
107	107	Banks and Hire Purchase	100	1.1	1.1
108	108	Banks and Hire Purchase	100	1.1	1.1
109	109	Banks and Hire Purchase	100	1.1	1.1
110	110	Banks and Hire Purchase	100	1.1	1.1

Over Fifteen Years

1976	1977	Stock	Price	Div	Yield
100	100	Over Fifteen Years	100	1.1	1.1
101	101	Over Fifteen Years	100	1.1	1.1
102	102	Over Fifteen Years	100	1.1	1.1
103	103	Over Fifteen Years	100	1.1	1.1
104	104	Over Fifteen Years	100	1.1	1.1
105	105	Over Fifteen Years	100	1.1	1.1
106	106	Over Fifteen Years	100	1.1	1.1
107	107	Over Fifteen Years	100	1.1	1.1
108	108	Over Fifteen Years	100	1.1	1.1
109	109	Over Fifteen Years	100	1.1	1.1
110	110	Over Fifteen Years	100	1.1	1.1

Electrical and Radio

1976	1977	Stock	Price	Div	Yield
100	100	Electrical and Radio	100	1.1	1.1
101	101	Electrical and Radio	100	1.1	1.1
102	102	Electrical and Radio	100	1.1	1.1
103	103	Electrical and Radio	100	1.1	1.1
104	104	Electrical and Radio	100	1.1	1.1
105	105	Electrical and Radio	100	1.1	1.1
106	106	Electrical and Radio	100	1.1	1.1
107	107	Electrical and Radio	100	1.1	1.1
108	108	Electrical and Radio	100	1.1	1.1
109	109	Electrical and Radio	100	1.1	1.1
110	110	Electrical and Radio	100	1.1	1.1

Chemicals, Plastics

1976	1977	Stock	Price	Div	Yield
100	100	Chemicals, Plastics	100	1.1	1.1
101	101	Chemicals, Plastics	100	1.1	1.1
102	102	Chemicals, Plastics	100	1.1	1.1
103	103	Chemicals, Plastics	100	1.1	1.1
104	104	Chemicals, Plastics	100	1.1	1.1
105	105	Chemicals, Plastics	100	1.1	1.1
106	106	Chemicals, Plastics	100	1.1	1.1
107	107	Chemicals, Plastics	100	1.1	1.1
108	108	Chemicals, Plastics	100	1.1	1.1
109	109	Chemicals, Plastics	100	1.1	1.1
110	110	Chemicals, Plastics	100	1.1	1.1

Engineering, Machine Tools

1976	1977	Stock	Price	Div	Yield
100	100	Engineering, Machine Tools	100	1.1	1.1
101	101	Engineering, Machine Tools	100	1.1	1.1
102	102	Engineering, Machine Tools	100	1.1	1.1
103	103	Engineering, Machine Tools	100	1.1	1.1
104	104	Engineering, Machine Tools	100	1.1	1.1
105	105	Engineering, Machine Tools	100	1.1	1.1
106	106	Engineering, Machine Tools	100	1.1	1.1
107	107	Engineering, Machine Tools	100	1.1	1.1
108	108	Engineering, Machine Tools	100	1.1	1.1
109	109	Engineering, Machine Tools	100	1.1	1.1
110	110	Engineering, Machine Tools	100	1.1	1.1

Food, Groceries, etc.

1976	1977	Stock	Price	Div	Yield
100	100	Food, Groceries, etc.	100	1.1	1.1
101	101	Food, Groceries, etc.	100	1.1	1.1
102	102	Food, Groceries, etc.	100	1.1	1.1
103	103	Food, Groceries, etc.	100	1.1	1.1
104	104	Food, Groceries, etc.	100	1.1	1.1
105	105	Food, Groceries, etc.	100	1.1	1.1
106	106	Food, Groceries, etc.	100	1.1	1.1
107	107	Food, Groceries, etc.	100	1.1	1.1
108	108	Food, Groceries, etc.	100	1.1	1.1
109	109	Food, Groceries, etc.	100	1.1	1.1
110	110	Food, Groceries, etc.	100	1.1	1.1

INTERNATIONAL BANK

1976	1977	Stock	Price	Div	Yield
100	100	International Bank	100	1.1	1.1
101	101	International Bank	100	1.1	1.1
102	102	International Bank	100	1.1	1.1
103	103	International Bank	100	1.1	1.1
104	104	International Bank	100	1.1	1.1
105	105	International Bank	100	1.1	1.1
106	106	International Bank	100	1.1	1.1
107	107	International Bank	100	1.1	1.1
108	108	International Bank	100	1.1	1.1
109	109	International Bank	100	1.1	1.1
110	110	International Bank	100	1.1	1.1

BEERS, WINES AND SPIRITS

1976	1977	Stock	Price	Div	Yield
100	100	Beers, Wines and Spirits	100	1.1	1.1
101	101	Beers, Wines and Spirits	100	1.1	1.1
102	102	Beers, Wines and Spirits	100	1.1	1.1
103	103	Beers, Wines and Spirits	100	1.1	1.1
104	104	Beers, Wines and Spirits	100	1.1	1.1
105	105	Beers, Wines and Spirits	100	1.1	1.1
106	106	Beers, Wines and Spirits	100	1.1	1.1
107	107	Beers, Wines and Spirits	100	1.1	1.1
108	108	Beers, Wines and Spirits	100	1.1	1.1
109	109	Beers, Wines and Spirits	100	1.1	1.1
110	110	Beers, Wines and Spirits	100	1.1	1.1

CINEMAS, THEATRES AND TV

1976	1977	Stock	Price	Div	Yield
100	100	Cinemas, Theatres and TV	100	1.1	1.1
101	101	Cinemas, Theatres and TV	100	1.1	1.1
102	102	Cinemas, Theatres and TV	100	1.1	1.1
103	103	Cinemas, Theatres and TV	100	1.1	1.1
104	104	Cinemas, Theatres and TV	100	1.1	1.1
105	105	Cinemas, Theatres and TV	100	1.1	1.1
106	106	Cinemas, Theatres and TV	100	1.1	1.1
107	107	Cinemas, Theatres and TV	100	1.1	1.1
108	108	Cinemas, Theatres and TV	100	1.1	1.1
109	109	Cinemas, Theatres and TV	100	1.1	1.1
110	110	Cinemas, Theatres and TV	100	1.1	1.1

DRAPERY AND STORES

1976	1977	Stock	Price	Div	Yield
100	100	Drapery and Stores	100	1.1	1.1
101	101	Drapery and Stores	100	1.1	1.1
102	102	Drapery and Stores	100	1.1	1.1
103	103	Drapery and Stores	100	1.1	1.1
104	104	Drapery and Stores	100	1.1	1.1
105	105	Drapery and Stores	100	1.1	1.1
106	106	Drapery and Stores	100	1.1	1.1
107	107	Drapery and Stores	100	1.1	1.1
108	108	Drapery and Stores	100	1.1	1.1
109	109	Drapery and Stores	100	1.1	1.1
110	110	Drapery and Stores	100	1.1	1.1

Engineering, Machine Tools

1976	1977	Stock	Price	Div	Yield
100	100	Engineering, Machine Tools	100	1.1	1.1

CBI's three sticking points on Bullock

BY JOHN ELLIOTT, MANAGEMENT EDITOR

A TOUGH opening negotiating bid on the future of the Bullock Report was launched by CBI leaders yesterday. It contained three sticking points, based on the issue of trade union power, which seem to rule out any possibility of agreement between the CBI and the Government.

Within hours of news of this attack, however, the Prime Minister agreed in the Commons that he would be prepared to talk to the CBI about the Bullock industrialists' minority report as well as the majority TUC-orientated proposals.

If Mr. Callaghan pursues this line when he meets CBI leaders later this month it could embolden the CBI, which is trying not to be diverted from a single-minded opposition to statutory imposition of worker directors of any sort.

GKN sets out problems, Page 17; Parliament, Page 16; Unions reaffirm opposition, Page 13

Political battles over the issue of industrial legislation continue to build up. In the Commons Mrs. Margaret Thatcher, Opposition leader, described the main Bullock proposals as "industrial apartheid" because they excluded non-unionists from the Board representation.

A similar line came from Mr. Reginald Prentice, the former Labour Cabinet Minister. In a speech in London he said that, although he had been a trade unionist since he left school, he did not think the law should discriminate against non-unionists.

Individual trade unions have been considering the Bullock proposals in detail. The TUC has welcomed the fact that legislation will embrace publicly-owned as well as private sector enterprises, but some opposition and reservations came yesterday from the General and Municipal Workers and the Electricians and Plumbers, as well as from the Engineers who oppose the idea in the private sector.

The CBI's position was announced at a specially called Press conference in London at which the president and director-general of the CBI were joined by their counterparts in

the Engineering Employers' Federation, two members of the Bullock minority group (Mr. Barrie Heath, chairman of GKN, and Sir Jack Callard, former ICI chairman), and Lord Plowden, who is chairman of a CBI working party on the Bullocks issue.

The objective was partly to show a degree of unity between the minority group industrialists and the CBI and EEF. The majority proposals which the CBI is fighting provide for union-based worker directors in a one-tier system while the minority group, who would prefer to have no legislation at all, say that if there must be laws they should provide for slow progress towards worker directors and should embrace all employees in a two-tier system.

The three main issues which Lord Watkinson, CBI president, identified as sticking points in any consultations with the Government were that:

1—There should be no imposition by law of trade union-nominated directors on to Boards.

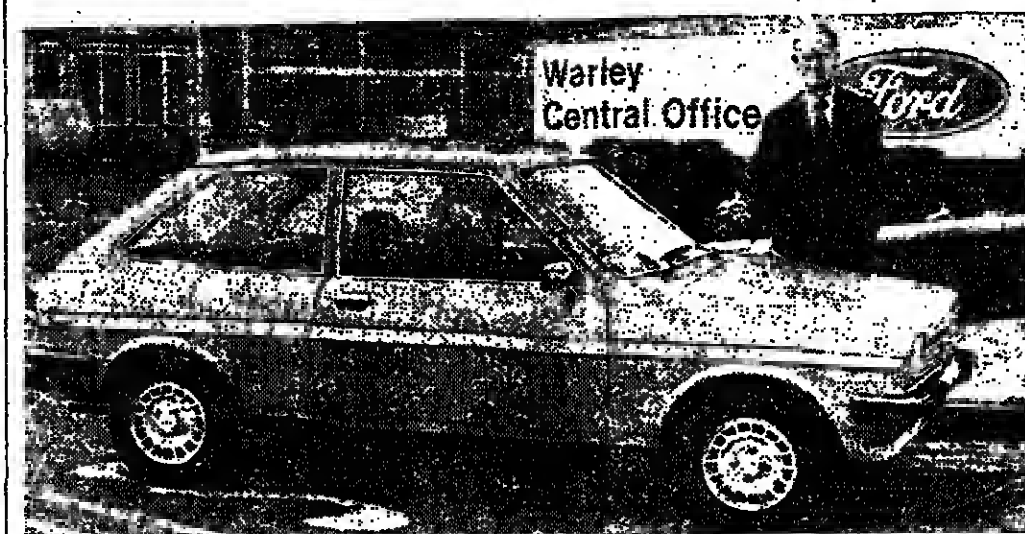
2—There should not be parity of representation (as proposed in the "2 X + Y" Bullock formula) between shareholder-elected and worker-elected directors.

3—Unions should not hold the monopoly to choose worker directors.

Lord Watkinson would not say whether this meant that the CBI was opposed to the statutory imposition of worker directors as envisaged by the minority report. He would only say that the minority report should "continue to lie on the table."

"Our policy here is not in line with the minority report, but we are not opposed to discussing it," Mr. John Methven, CBI director-general, presented seven reasons for opposing the majority report; laws should be flexible; industrial relations innovations should be broadly acceptable to a majority of industry; Britain should not go down the road of other EEC countries and participation should be built slowly; non-unionists should be included; foreign confidence would suffer; union infighting would increase; and shareholders' power would be reduced.

DAGENHAM WILL MAKE ENGINES FOR U.S.



Fiesta will cost £1,856

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

THE FORD FIESTA, Ford of Europe's counter-attack against the growing number of small European front-wheel-drive cars, goes on the market in Britain today, with three months of encouraging sales behind it on the Continent.

The car—pictured above with Mr. Terry Beckett, chairman of Ford U.K.—is one of the most important launched by Ford since the war and could easily take the company into a clear lead at the top of the European sales league this year.

Since its European launch last September, Ford claims that the Fiesta has sold over 100,000 vehicles. On an annualised rate, and with sales still growing that is not far short of 400,000 Ford has earned for Europe.

It was announced yesterday that Ford will start selling the Fiesta in America in June. That will give a boost to British exports, since all the 1500 cc engines in the U.S. version will be made at Dagenham.

Ford is aiming to make about 90,000 Fiestas this year, 50,000 in Britain. Of these, the company

will export about 25 per cent. The other 65,000 giving it about 5 per cent of the market on present predictions.

If these targets are achieved Ford will be virtually certain of taking over market leadership in Britain from British Leyland. The questions at the moment, however, are how many of these sales will come from the Escort and whether the price put on the Fiesta will act as a deterrent.

The cheapest Fiesta, cost more than the base line Escort Popular—£1,856 against £1,799. Even the standard 1100 Fiesta, at £2,178, will cost more than the 1300 two-door Escort (£2,149).

Ford accepts that some Fiesta sales will be at the expense of the Escort. It claims customers converted from other marques on the Continent, and says the Fiesta is aimed less at the fleet sector than the Escort.

Marketing strategy is aimed at taking sales away from the ubiquitous mini-type imports unless the company agrees to discuss a pay claim.

the Peugeot 104 and the Datsun Cherry. Ford dealers will probably be reluctant to take an Escort in part exchange for a Fiesta.

The Fiesta will raise Ford's U.K. turnover considerably. Dagenham will be turning out 100,000 units of the vehicle on the line which used to produce about 17,000 Granadas.

Other gains from the new vehicle will be in terms of exports—Ford U.K. exported scarcely any Granadas and employment, with 3,000 more men needed for the Fiesta line.

The Dagenham-made Fiesta will use many foreign-made components, including engines assembled in Spain and gearboxes from France.

Ford claims, however, that these component imports, probably amounting to slightly more than half the car, will be balanced by the export of British-made components.

Nearly 500 toolmakers at the Dagenham plant staged a 24-hour strike yesterday. They said they would stop work indefinitely in two weeks' time unless the company agrees to discuss a pay claim.

Journalists' leaders fight opposition to strike call

BY ALAN PIKE, LABOUR STAFF

LEADERS OF the National Union of Journalists yesterday attempted to dampen opposition among nearly 1,000 of their members who have been told to stop work from tomorrow in support of colleagues who are on strike.

The majority of the journalists involved—about 800—work for the BBC. Union members throughout the Corporation have been instructed by their executive to begin a four-day stoppage from 10 a.m. on Monday, in support of an eight-week long strike at BBC Radio Sheffield.

Faced with growing opposition to the strike call from some members, particularly in the main London television and radio newsrooms, Mr. Ken Morgan, NUJ general secretary, left a meeting of the Advisory, Conciliation and Arbitration Service at which the Sheffield dispute was being discussed to meet broadcasting members at

BBC Journalists said last night that there was almost unanimous agreement at the White City meeting that the proposed strike should be postponed. Mr. Vincent, general secretary of the NUJ chapel (office section) said the meeting had obvious sym-

pathy for the individuals involved at Sheffield, but felt that the NUJ executive had acted precipitately in calling for a strike.

Some of the journalists believe that there should be a postal ballot of all members involved before the union goes ahead with the strike. This is not required under NUJ rules.

The issue was raised in the Commons yesterday by Mr. Robert Adley, Conservative member for Christchurch and Lymington, who told the Prime Minister that the NUJ was trying to impose a strike on an unwilling majority of its members in the BBC.

Mr. Callaghan said he would examine the point raised, although he pointed out that ACAS was trying to settle the dispute. Talks at ACAS involving the NUJ, BBC, and Association of Broadcasting Staff continued throughout yesterday.

Over NUJ objections to the employment of a schoolteacher and a greengrocer, who have now become members of the ABS, as sports reporters at Kettering, 70 NUJ chapel (office section) said the meeting had obvious sym-

pathy for the individuals involved at Sheffield, but felt that the NUJ executive had acted precipitately in calling for a strike.

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Tory attempt to force issue on EEC elections

BY RICHARD EVANS, LOBBY EDITOR

THE ACUTE difficulties Ministers are facing over the introduction of legislation to force elections to the European Parliament will be underlined next week when Conservative MPs seek to discover the Cabinet's tactics.

The subject of direct elections, which are due to take place by May or June, 1978, has been chosen for debate next Monday by Mr. Hugh Dykes, Conservative MP for Harrow East, after rumours that the legislative time-table is slipping so badly that the measure has little prospect of reaching the Statute Book this session.

This would mean that Britain, alone among EEC members, would be blamed for postponing direct elections—a situation that neither the Prime Minister nor Mr. Anthony Crosland, the Foreign Secretary, and President of the Council of Ministers, wish to see.

A small group of senior Cabinet Ministers are studying the legislative difficulties and a decision on timing is expected this month.

But the chances of an early introduction of a Bill inflating direct elections, together with the organisation of massive constituencies by the Boundaries Commission, are not good, largely because of the devolution legislation.

This promises to occupy Parliament even more than envisaged because of the Government's inability to secure a majority to guillotine the committee stage debate.

Pro-EEC Ministers, including Mr. Callaghan, Mr. Crosland and Mrs. Shirley Williams, the Edu-

cation Secretary, are anxious to see the direct elections Bill introduced as soon as possible, but they face differing degrees of opposition from nearly half the Cabinet.

In addition, Mr. Michael Foot, leader of the Commons, and the Minister in charge of the Government's programme, has no wish to see another contentious constitutional measure before the Commons at the same time as the Scotland and Wales Bill.

His inclination is to wait until the devolution legislation is through the Commons, but this might not give time for the direct elections Bill to complete its Parliamentary passage before the end of the session.

The legislation will receive the support of the Liberals and the Conservatives—with the possible exception of a small group of anti-Marketisers—but it will be fiercely opposed by a large number of Labour backbenchers.

They will fight the Bill in the knowledge that the concept of direct elections was rejected by the Labour Party Conference in Blackpool last autumn.

Mr. Dykes has chosen the subject for debate in Private Members' time and, because he came top of the ballot for next Monday, the debate will occupy all the allotted three hours.

Mr. John Davies, Shadow Foreign Secretary, will speak for the Opposition and either Dr. David Owen, Minister of State at the Foreign Office, or Mr. John Tomlinson, the Parliamentary Under-Secretary, will reply for the Government.

Ninian

significant new work for over two years.

A number of platforms and other production systems are expected to be ordered this year. Dr. Dickson Mahon, Minister of State for Energy, said he hoped the prospective new order would mark the beginning of a fresh phase of North Sea development.

Coming on top of the two export orders recently announced by McDermott's, the Ninian announcement was a bonus for the U.K. which would guarantee employment in the Easter Ross area of Scotland.

Ray Perman, Scottish Correspondent writes: The Ninian order will provide work until the summer of 1978 for Highland Fabricators, which is jointly owned by Brown and Root and Wimpey, and puts the yard in a strong position to win further orders.

Trade unions at Nigg recently gave a written guarantee that future customers could be sure work would be completed on time.

Chevron's announcement brought a considerable boost to employment prospects on Cromarty Firth, which depends heavily on oil-related business and has suffered from the lull in orders. The Nigg yard paid off 600 men mostly from outside the area at the end of last year and the pipe coating yard of M. K. Shand made 230 redundant in October.

Two of the three steel fabricating platform yards in Scotland now have work to see them into next year. J. Ray McDermott at Ardeer, across the Moray Firth from Nigg, recently won orders from Holland and Basil and is in the running for a steel platform for Texaco's Tartan Field.

THE LEX COLUMN

BAT and the trend in sterling

Sterling's weakness continued to glamourise the profits of BAT Industries in the second half, with the pre-tax increase accelerating from 32 per cent at the half-way stage to just over a third at the full term—for a total of £374m, in line with the market's expectations. In local currencies, however, there seems to have been some overall slow-down, while a sharp increase in the tax charge from 42½ to 49 per cent has trimmed the earnings gain to 17 per cent.

Tobacco profits, still three-quarters of the total at the operating level, have advanced smoothly through the year. Brown and Williamson in the U.S. has been losing market share slightly to low tar rivals, but almost held dollar earnings thanks to price rises. Brazil, meantime, continued to boom, and in Europe the German operations and U.K. exports advanced well.

Elsewhere the paper side has shown surprising strength, with Wiggins Teape recovering sharply from the previous year's slump—higher capacity utilisation was the key factor in this division's three-fifths profits jump to £34m, after only £10m at half-time. But retelling took a turn for the worse in the second half, hit by overstocking at Gimbels and Saks when U.S. consumer spending faltered, and by closure costs in the U.K. where International Stores shut 270 shops out of a 900-odd chain.

The key point about BAT in the current year, of course, is that the movement of sterling is very unlikely to be so kind; at this stage it is actually rather higher than the \$1.66 used for translating the 1975-76 figures. The share price was strong against the U.K. equity market in the last spring and summer, but since early November it has risen only a sixth compared with 40 per cent for the All-Share Index.

The underlying profits trend in Canada will not get under way until next financial year, and at home cost pressures are squeezing the IPC side after a buoyant autumn period. Pre-tax profits for the year may be a little over £70m, and there is obvious room for more in 1977-78. But overall pre-tax profits are still running a shade below the level of 1974-75, and since then Reed's acquisition bill has totalled over £50m.

Capital employed at the start of this year was more than £800m, and last summer's issue has not done much to reduce the high level of gearing. So Reed badly needs a major improvement in profitability over the next year or two.

Index rose 5.4 to 395.9

may look unexciting, too, until B and W finds some new brands to back up Kool. So the shares could play a waiting game; at 278p the p/e is 5.9 and the yield 6 per cent, rising to 7.3 per cent, prospectively thanks to the boost arising from the TSI merger.

Reed Int. Reed International caught the market on the hop with its third quarter figures yesterday, and the shares closed 15p higher at 230p. The surprise is that although the strike-bound Canadian operations have, as expected, moved into red during the latest three months, overseas operating profits have actually risen 6 pence to £14.4m, between the second and third quarters. This suggests that the non-Canadian businesses could have improved by something like a half.

The explanations include a turnaround of roughly £1m in a Dutch packaging group acquired earlier this year, and rises of a similar order in both South Africa and the associates. The U.K. has done well too, with a rise of a sixth compared with the second quarter, and overall pre-tax profits after nine months total £54.3m, against just £36.8m a year ago.

The fourth quarter is unlikely to be quite so strong. Recovery in Canada will not get under way until next financial year, and at home cost pressures are squeezing the IPC side after a buoyant autumn period. Pre-tax profits for the year may be a little over £70m, and there is obvious room for more in 1977-78. But overall pre-tax profits are still running a shade below the level of 1974-75, and since then Reed's acquisition bill has totalled over £50m.

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British Aircraft to axe 1,560 jobs

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE BRITISH Aircraft Corporation is to reduce its work force in the Commercial Aircraft Division by 1,560 to a level of 8,800 by the end of this year.

The decision, announced at a meeting with the unions yesterday, stems from shortage of civil aircraft work, largely because of the near-completion of Concorde production and continued lack of new orders for One-Eleven jet airliners.

RAC has tried to keep the employment level up for some time, in anticipation of new civil work, partly by taking back subcontract work originally undertaken outside the company and by bringing in some, including military work, from other divisions.

The corporation had been hoping that further sales of Concorde would materialise. It still believes that a favourable decision next week by the Port of New York Authority to permit Concorde to land at Kennedy

Airport would do much to boost sales, and encourage the U.K. and French Governments to finance new Concorde construction.

But an assessment of the situation in the months ahead shows that 780 will become redundant at Filton, 600 at Weybridge and 180 at Hurn, to bring the overall number employed down to 8,800.

Most of the redundancies are expected by late July, and the rest by the end of the year. The cut follows that of 2,400 in the Commercial Aircraft Division announced in November, but which proved less severe than expected because of substantial transfers to other jobs in the corporation.

It is hoped that about 600 of the 1,560 now facing redundancy can find jobs elsewhere in the corporation, especially overseas, if they are prepared to move and to undergo re-training for new tasks.

Weather

U.K. TO-DAY
 W. Scotland, Glasgow, Argyle, moving E. S.E. England, dry early and late. Wind S. to S.W., moderate or fresh. Max. 4C (39F).
 Cent. S. England, Midlands, rain in places, brighter later. Wind S. veering S.W., moderate or fresh. Max. 4C (39F).
 S.W. England, S. Wales, Channel Isles, W. Ireland, in places, bright intervals later. Wind S. veering W., fresh to gale. Max. 9C (48F).
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